

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
349-36 (LS)	Sabina Flores Perez	AN ACT TO <i>REPEAL</i> AND <i>REENACT</i> § 7161 (a) and (e) ALL OF CHAPTER 7, TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO UPDATING THE STREETLIGHT FUND TO AUTHORIZE THE DEPARTMENT OF PUBLIC WORKS TO FACILITATE INSTALLATION AND MAINTENANCE OF STREETLIGHTS, ROAD REPAIR, AND ENHANCE SAFETY OF MOTORISTS, BICYCLISTS, AND PEDESTRIANS.	10/28/22 11:30 a.m.	11/1/22	Committee on General Government Operations, Appropriations, and Housing			Request: 11/1/22  11/17/22	



Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

GUAM CONGRESS BUILDING  
163 CHALAN SANTO PAPA  
HAGÅTÑA, GUAM 96910  
TEL 671-472-2461  
COR@GUAMLEGISLATURE.ORG

November 17, 2022

# MEMO

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

**From: Senator Joe S. San Agustin**  
Chairperson, Committee on Rules

**Re: Fiscal Note on Bill No. 349-36 (LS)**

---

*Håfa adai,*

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

**Bill No. 349-36 (LS)**

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. 349-36 (LS)**

**AN ACT TO REPEAL AND REENACT § 7161 (a) and (c) ALL OF CHAPTER 7, TITLE 16, GUAM CODE ANNOTATED, RELATIVE TO UPDATING THE STREETLIGHT FUND TO AUTHORIZE THE DEPARTMENT OF PUBLIC WORKS TO FACILITATE INSTALLATION AND MAINTENANCE OF STREETLIGHTS, ROAD REPAIR, AND ENHANCE SAFETY OF MOTORISTS, BICYCLISTS, AND PEDESTRIANS.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Public Works (DPW)	Dept./Agency Head: Vincent P. Arriola, Director
Department's General Fund (GF) appropriation(s) to date: 2% General Fund Reserve-Section 2(I) of P.L. 36-54 (\$10,628,742)	10,628,742
Department's Other Fund (Specify) appropriation(s) to date: Guam Highway Fund (\$12,404,709); Guam Educational Facilities Fund (\$6,889,928);	19,294,637
	<b>\$29,923,379</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2022 Unreserved Fund Balance		\$0	\$0
FY 2023 Adopted Revenues	\$0	\$0	\$0
FY 2023 Appro. (P.L. 36-107 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 2023 (if applicable)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Streetlight Fund	\$0	\$0	1/	1/	1/	1/
Total	\$0	\$0	1/	1/	1/	1/

- 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? \$ / / 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  
/X/ Requested agency comments not received by due date / / Other:

Analyst: William P. Taittinger Date: 11/16/22 Director: Lester L. Carlson, Jr. Date: NOV 17 2022

**Comments:**

1/ See attached comments to the fiscal note.

**Bureau of Budget and Management Research**  
**Comments on Bill No. 349-36 (LS)**

The proposed legislation seeks to repeal and reenact §7161 (a) and (e) all of Chapter 7, Title 16 Guam Code Annotated relative to updating the Streetlight Fund to authorize the Department of Public Works (DPW) to facilitate installation and maintenance of streetlights, road repair, and enhance safety of motorists, bicyclists, and pedestrians.

Currently, §7161 (a) establishes the Street Light Fund and that it be maintained separate and apart from any other funds, including the General Fund of the government of Guam. §7161 (a)(1) provides that money in the Street Light Fund be used to pay for the installation and operation of public street lights and §7161 (a) (2) provides that all revenues deposited in the Fund are reserved for use by the Guam Power Authority (GPA) for payment and operation and installation of public street lights. The Bill 349 intends to change the current law and create the Street Light Fund as a non-lapsing, revolving fund. It will continue to be separate and apart from other funds of the government of Guam. It will not be subject to any transfer authority of *I Maga'hāgan Guāhan*. However, the Director of DPW shall have programmatic oversight of the Street Light Fund. The Director of DPW shall submit a quarterly report to *I Liheslaturan Guāhan*. Bill 349 also authorizes additional expenditures of monies in the Street Light Fund to include the payment for improvements to lanes, sidewalks, bus shelters, or other projects deemed necessary by the Director of DPW to improve motor, bicycle, and pedestrian safety; and the payment for repairs or repaving of roads.

Additionally, §7161 (e) currently mandates that no funds from the Street Light Fund may be expended or encumbered without an appropriation by *I Liheslaturan Guāhan*. The Bill 349 will provide that all monies in the Street Light Fund to be appropriated and shall continue to be deemed appropriated to the DPW to be expended in accordance with § 7161 (a).

It should be noted that funds under the Street Light Funds are annually appropriated to the Department of Administration (DOA) to partially pay the GPA for the operation of public streetlights. The following table provides information as to Public Streetlight Appropriations:

<b>Public Streetlight Appropriations (FY2021 to FY2023)</b>					
	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>		
<b>Fund Source</b>	<b>(P.L. 35-99)</b>	<b>(P.L. 36-54)</b>	<b>(P.L. 36-107)</b>	<b>FY2021-FY2023</b>	<b>FY2021-FY2023</b>
				<b>(3 Year Average)</b>	<b>( % Average )</b>
Street Light Fund	\$4,302,419	\$4,226,064	\$4,996,945	\$4,508,476	86%
Guam Highway Fund	\$649,288	\$811,077	\$811,077	\$757,147	14%
<b>Total Appropriation</b>	<b>\$4,951,707</b>	<b>\$5,037,141</b>	<b>\$5,808,022</b>	<b>\$5,265,623</b>	<b>100%</b>

According to comments received, the DPW notes the following questions and concerns with Bill 349 relative to the installation and maintenance of public street lights. Such as:

- 1) The transition period for DPW to ease the installation and maintenance process of Street Lights, Road Repair, and Enhance the Safety of Motorists, Bicyclists, and Pedestrians if Repealed and Reenacted.
- 2) Clarification of the installation and maintenance responsibilities between DPW and GPA. Does GPA continue to do the installation of street lights and maintain it? Or will DPW ease this process through the Bill by maintaining the street lights?

- 3) Manpower requirements for the additional responsibilities. As DPW is short in manpower, will additional funding from the General Fund be provided for additional FTEs, goods, and services for maintenance?
- 4) Shortfall of appropriations for public streetlights. How are appropriation shortfalls to be covered? The DPW indicated that the Street Light Fund had an estimated shortfall of \$76,000 in FY2022 which DPW was able to cover internally under funding to the Highway Maintenance division.
- 5) The GPA bills DPW for Street Lights. The average monthly bill per fiscal year: FY20 = \$323,393.21; FY21 = \$315,560.15; FY22 = \$337,941.67
- 6) The increase in fuel cost impact have impacted Street Light (SL) costs by 42% or \$79,838.08 between the August 2022 SL bill of \$366,848.31 and the September 2022 SL bill of \$446,686.39.
- 7) The Coronavirus Pandemic has increased costs for all good and services throughout the Nation and has impacted the cost of Village Street Road Repairs as follows:
  - FY2020 Village Street Road Repairs: 5,280 (linear footage) estimate cost of \$642,916.96 per mile
  - FY2021 Village Street Road Repairs: 5,280 (linear footage) estimate cost of \$730,542.80 per mile
  - FY2022 Village Street Road Repair Round 4 Cost: 79,219 linear footage (15 miles) \$10,488,824.91 or \$699,254.99 per mile

The Bureau notes that Bill 349 may negatively impact the appropriations to fund the installation and maintenance of public streetlights. The proposed addition of authorized expenditures of the Street Light Fund may lead to reduced funding from the Street Light Fund to cover the annual cost requirements of public streetlights. Should this occur, additional funding subsidies from the Guam Highway Fund or from the General Fund may be required to offset the reduction from the Street Light Fund. Additionally, it could cause DPW to absorb the shortfall of public streetlight expenses from its fiscal year operational budget appropriations.