

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
325-36 (COR)	Joe S. San Agustin Tina Rose Muña Barnes Telena Cruz Nelson Clynton E. Ridgell James C. Moylan Jose "Pedro" Terlaje	AN ACT MAKING REVISIONS TO THE GENERAL FUND AND GMHA PHARMACEUTICAL FUND FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE, AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2022, MAKING NEW APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.	7/6/22 1:54 p.m.	7/7/22	Committee on General Government Operations, Appropriations, and Housing			Request: 7/7/22 7/12/22	



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

I Mina'trentai Sais Na Liheslaturan Guåhan

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July 12, 2022

MEMO

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

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

Re: **Fiscal Notes on Bill Nos. 321-36 (LS) and 325-36 (COR)**

Håfa adai,

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

Bill No. 321-36 (LS)
Bill No. 325-36 (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. 325-36 (COR)

AN ACT MAKING REVISIONS TO THE GENERAL FUND AND GMHA PHARMACEUTICAL FUND FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE, AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2022, MAKING NEW APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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:	GMHA Pharmaceuticals Fund:	Total:
FY 2021 Unreserved Fund Balance	\$0	\$0	\$0
FY 2022 Adopted Revenues	\$623,577,126	\$14,789,655	\$638,366,781
FY 2022 Appro. (P.L. 36-54 thru 36-105)	(\$653,733,833)	(\$14,789,655)	(\$668,523,488)
Sub-total:	(\$30,156,707)	\$0	(\$30,156,707)
Less appropriation in Bill	(\$25,312,000)	(\$1,566,813)	(\$26,878,813)
Total:	(\$55,468,707)	(\$1,566,813)	(\$57,035,520)

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/	1/	\$0	\$0	\$0	\$0
GMHA Pharmaceuticals Fund	1/	1/	\$0	\$0	\$0	\$0
Total	1/	1/	\$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? | / / | N/A | / X / | Yes |
| If no, what is the additional amount required? | / X / | N/A | | / / |
| 3. Does the Bill establish a new program/agency? | | | / / | Yes |
| If yes, will the program duplicate existing programs/agencies? | / X / | N/A | / / | Yes |
| Is there a federal mandate to establish the program/agency? | | | / / | Yes |
| 4. Will the enactment of this Bill require new physical facilities? | | | / / | Yes |
| 5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: | / X / | Yes | | / / |
| / / Requested agency comments not received by due date | | | / / | Other: |

Analyst: Abigail R. Ofeciar, BMA III

Date: 7/11/2022

Director: Lester L. Carlson, Jr., Director

Date: **JUL 11 2022**

Notes:
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 325-36 (COR)

The proposed legislation intends to amend the adopted revenue levels for the General Fund and the Guam Memorial Hospital Authority (GMHA) Pharmaceuticals Fund for Fiscal Year 2022. It also intends to appropriate the additional General Fund revenues to the Guam Power Authority (GPA) for the *Prugrãman Ayuda Para I Taotao-ta* Energy Credit Program for Fiscal Year 2022. The proposed amendment to the General Fund is through an increase of \$25,312,000 in the Business Privilege Tax (BPT) revenues. Pursuant to §26208, Chapter 26 of Title 11 Guam Code Annotated, 6.19% of all BPT shall be deposited into the GMHA Pharmaceuticals Fund. The \$25,312,000 increase in the BPT then translates to a \$1,566,813 increase in the GMHA Pharmaceuticals Fund. This increase is also reflected in the proposed legislation under Sections 2 and 4.

Section 3 of the proposed legislation also adds a new Section 21 to Chapter XI, Miscellaneous Appropriations, of Public Law 36-54. This new Section 21 contains the establishment of the *Prugrãman Ayuda Para I Taotao-ta* Energy Credit Program. This program intends to provide GPA's 50,624 residential and commercial customers with a \$500 credit towards their account, to be disbursed in five monthly disbursements of \$100 each for the months of July through November 2022. This section further appropriates the sum of \$25,312,000 from the General Fund to GPA for the said program.

In its current form, the proposed legislation is unbalanced as the additional amount available for appropriation is only \$23,745,187, taking into account the \$1,566,813 General Fund offset to the GMHA Pharmaceuticals Fund as mandated by §26208, Chapter 26 of Title 11 Guam Code Annotated. In order to achieve a net increase of \$25,312,000 in the Total General Fund Revenue Available for Appropriation, the BPT should have been increased by \$26,982,198, of which \$1,670,198 (6.19%) will be the appropriate offset from the General Fund and increase to the GMHA Pharmaceuticals Fund.

Per the May 2022 Consolidated Revenue and Expenditure Report, the General Fund collected \$85,708,161 above the adopted revenue level contained in P.L. 36-54. The Bureau notes that there are several proposed legislative measures that seek to utilize the aforementioned excess revenue collected above the adopted level for FY 2022. The following is a list of such measures:

Bill No.	Appropriation	Description
Bill 197-36 (COR) as amended	\$5,000,000	Appropriation to UOG for the Construction of Student Service Center and School of Engineering Building.
Bill 214-36 (COR) nka P.L. 36-65	\$25,000,000	Appropriation to DOA for LEAP
Bill 218-36 (LS)	\$15,000,000	Appropriation to CQA for the Construction of CSIHSSF
Bill 281-36 (COR)	\$609,000	Appropriation to GEC for 2022 Primary Election and Early Voting
Bill 295-36 (LS) nka P.L. 36-105	\$5,000,000	Appropriation to DPW for operations due to temporary waive of the liquid fuel tax levy.
Bill 295-36 (LS) nka P.L. 36-105	\$156,707	Appropriation to GRTA for operations due to temporary waive of the liquid fuel tax levy.
Bill 311-36 (COR)	\$250,000	Appropriation to Judiciary for Criminal Law & Procedure Review Commission
Bill 321-36 (LS)	\$56,000,000	Appropriation to DOA for Income Tax Rebate
Bill 321-36 (LS)	\$250,000	Appropriation to DOA for Administration of Bill 321-36 (LS)
Bill 325-36 (COR)	\$25,312,000	Appropriation to GPA for <i>Prugraman Ayuda Para I Taotao-ta</i>
Subtotal	\$132,577,707	----

From the list noted above, Bill No. 214-36 (COR) and Bill No. 295-36 (LS), now known as P.L. 36-65 and P.L. 36-105, have been passed by the Legislature and signed into law by the Governor. As such, out of the \$85,708,161 in General Fund revenues collected above the adopted levels in FY 2022 stated above, only \$55,551,454 remains available from that amount. Additionally, the Bureau notes that the May 2022 Special Revenue Fund Report reflects a cumulative shortfall of \$6,624,618 within the Special Revenue Funds, in which the General Fund historically covers such shortfall at the end of the fiscal year.