

I Mina'trentai Singko 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
178-35 (LS)	Telo T. Taitague Tina Rose Muña Barnes William M. Castro Clynton E. Ridgell	AN ACT TO APPROPRIATE ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000.00) FROM THE HEALTHY FUTURES FUND TO THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES FOR THE OPERATIONS OF I GUMA' MINA'ÁSE FOSTER CARE FACILITY.	7/8/19 4:57 p.m.					8/7/19	

Senator Régine Biscoe Lee
Chairperson

Senator Amanda L. Shelton
Vice Chairperson

Speaker Tina Rose Muña Barnes
Member

Vice Speaker Telen Cruz Nelson
Member

Senator Kelly Marsh (Taitano), PhD
Member

Senator Sabina Flores Perez
Member



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I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

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August 7, 2019

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Kelly Marsh (Taitano), PhD
Acting Chair, Committee on Rules

Re: Fiscal Notes

Buenas yan Håfa adai.

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

Bill No. 164-35 (COR)
Bill No. 165-35 (COR)
Bill No. 178-35 (LS)
Bill No. 179-35 (LS)

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

For 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 matter.

Respectfully,

A handwritten signature in blue ink, appearing to read "K Marsh", written over a light blue circular stamp.

Senator Kelly Marsh (Taitano), PhD
Acting Chair, Committee on Rules



**Bureau of Budget & Management Research
Fiscal Note of Bill No. 178-35 (LS)**

AN ACT TO APPROPRIATE ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000.00) FROM THE HEALTHY FUTURES FUND TO THE DEPARTMENT OF PUBLIC HEALTH AND SOCIAL SERVICES FOR THE OPERATIONS OF I GUMA' MINA'ASE FOSTER CARE FACILITY.

Department/Agency Appropriation Information	
Dept./Agency Affected: Public Health & Social Services	Dept./Agency Head: Linda Unpingco-Denorcey, Director
Department's General Fund (GF) appropriation(s) to date:	51,236,486
Department's Other Fund (Specify) appropriation(s) to date: Environmental Health Fund - \$1,400,306, Healthy Futures Fund - \$9,262,141, Health Professional Licensing Office Revolving Fund - \$256,382, Office of Vital Statistics Revolving Fund - \$254,505, Sanitary Inspection Revolving Fund - \$137,280	11,310,614
Total Department/Agency Appropriation(s) to date:	\$62,547,100

Fund Source Information of Proposed Appropriation			
	General Fund:	Healthy Futures Fund 1/:	Total:
FY 2018 Unreserved Fund Balance		\$10,194,826	\$10,194,826
FY 2019 Adopted Revenues	\$0	\$41,419,667	\$41,419,667
FY 2019 Appro. (P.L. 34-116 thru)	\$0	(\$41,419,667)	(\$41,419,667)
Sub-total:	\$0	\$10,194,826	\$10,194,826
Less appropriations in P.L. 34-141 (\$3,500,000); P.L. 34-147 (\$300,000); P.L. 34-148 (\$700,000); P.L. 35-027 (\$150,000)	\$0	(\$4,650,000)	(\$4,650,000)
Less proposed appropriation in Bill 178-35 (LS)	\$0	(\$1,200,000)	(\$1,200,000)
Less proposed appropriation in Bill 179-35 (LS)	\$0	(\$6,000,000)	(\$6,000,000)
Total:	\$0	(\$1,655,174)	(\$1,655,174)

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2019 (if applicable)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Healthy Futures Fund 1/	\$0	\$1,200,000	\$0	\$0	\$0	\$0
Total	\$0	\$1,200,000	\$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: <u>Oscar Dimalanta, BMA I</u>	Date: <u>8/6/19</u>	Director: <u>Lester L. Carlson, Jr., Director</u>	Date: AUG 06 2019
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Footnotes:
1/ See attached comments.

Comments on Bill No. 178-35 (LS)

This proposed legislation seeks to appropriate \$1,200,000 from the Fiscal Year 2017 Audited Available Fund Balance of the Healthy Futures Fund (HFF) to the Department of Public Health and Social Services for *I Guma' Mina'åse* Foster Care Facility operations. The amount shall be used by the government of Guam to fund personnel, equipment, supplies, and contractual services required for the health and safety of children at the foster care facility. As mentioned in Section 1 of the bill, the fund source was identified through the Fiscal Year 2017 auditor's report which notes \$6.9 million as the HFF Fund Balance ending September 30, 2017 (and \$10,194,826 fund balance ending September 30, 2018).

The Bureau recognizes the FY 2018 Audit cites an available fund balance of \$10.1M in the HFF. Taking into account the passage of a number of Public Laws which have used this fund source and the current FY2019 tracking of the HFF which is anticipated to fall short by -\$1M, the Government of Guam is currently recognizing the available balance of the HFF at \$4M.

The public laws that been passed since the close of FY 2018 that appropriate funds from the HFF in addition to funds appropriated via P.L. 34-116 are:

- P.L. 34-141 – Appropriated \$3,500,000 from the FY 2018 HFF fund balance to the Department of Public Health and Social Services (DPHSS) for Medicaid match in FY 2019.
- P.L. 34-147 – Appropriated \$300,000 from the HFF to DPHSS for the Child Protective Services Division and Program
- P.L. 34-148 – Appropriated \$700,000 from the HFF to DPHSS for Medicaid match in FY 2019.
- P.L. 35-027 – Appropriated \$150,000 from the HFF fund balance to the Department of Administration for the Guam Autism Center.
- Total HFF Appropriations – \$4,650,0000

Considering that all adopted HFF appropriations were fully appropriated per P.L. 34-116 (FY 2019 Budget Act), the proposed bill does not factor in the current tracking of Special Revenue Fund Report for FY 2019. As of the month ending June 30, 2019, the HFF is projecting overall collections of \$40,048,284 in FY 2019, which is -\$1,371,383 less of P.L. 34-116's adopted level of \$41,419,667.

Taking into consideration the public laws mentioned above and the projected revenue shortfall in the HFF, the balance available for appropriation is \$4,173,443. The Bureau notes that the proposed bill's intent to appropriate \$1.2M from the HFF would now result in a total fund balance of \$2,973,443, and with the proposed \$6.0M appropriation under Bill 179-35 (LS), the total fund balance would result in a negative balance or an over-appropriation from the HFF of -\$3,026,557. (See Attachment to Bill No. 178-35)

Please note that the HFF fund balance is not "cash" in the bank but an accounting of the inflows and outflows from this fund. Caution should be taken in the continued use of available fund balances as sources of funds, especially if the amount to be sourced is significant.

ATTACHMENT TO BILL NO. 178-35 (LS)

HEALTHY FUTURES FUND

Fund Balance at the End of FY 2018	\$10,194,826
Adopted Revenue per P.L. 34-116	\$41,419,667
Appropriations per P.L. 34-116	(\$41,419,667)

Balance at Beginning of FY 2018 \$10,194,826

Less:

P.L. 34-141	(\$3,500,000)
P.L. 34-147	(\$300,000)
P.L. 34-148	(\$700,000)
P.L. 35-027	(\$150,000)
Subtotal	(\$4,650,000)

Current Balance Available \$5,544,826

Less:

Projected HFF Shortfall per June SRF Report	(\$1,371,383)
Subtotal	(\$1,371,383)

Current Balance Available Less Projected HFF Shortfall per June SRF Report \$4,173,443

Less:

Bill 178-35 (LS)	(\$1,200,000)
Bill 179-35 (LS)	(\$6,000,000)
Subtotal	(\$7,200,000)

Projected HFF Balance Incorporating Bills 178-35 (LS), Bill 179-35 (LS) (\$3,026,557)