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 |
|--------------|---------|--|--------------------|------------------|------------------|---------------------------|-----------------------------------|--------------|-------|
| 217-35 (COR) | | AN ACT TO ADD § 58104(r) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO CREATING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM. | 9:29 a.m. | | | | | 11/18/19 | |

Senator Régine Biscoe Lee, Chair

Senator Amanda L. Shelton, Vice Chair

Speaker Tina Rose Muña Barnes, Member

Vice Speaker Telena Cruz Nelson, Member

Senator Kelly Marsh (Taitano), PhD, Member

Senator Sabina Flores Perez, Member





COMMITTEE ON RULES

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN 35TH GUAM LEGISLATURE Senator Clynton E. Ridgell, Member

Senator Joe S. San Agustin, Member

Senator Jose "Pedo" Terlaje, Member

Senator Therese M. Terlaje, Member

Senator James C. Moylan, Member

November 18, 2019

Senator Mary Camacho Torres, Member and Chair, Subcommittee on Protocol

| То: | Rennae Meno Clerk of the Legislature | | | |
|-------|--|--|--|--|
| From: | Senator Régine Biscoe Lee Chair, Committee on Rules | | | |
| Re: | Fiscal Notes | | | |

Buenas yan Håfa adai.

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

Bill No. 217-35 (COR) Bill No. 218-35 (COR) Bill No. 224-35 (COR)

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 important matter.



Bureau of Budget & Management Research Fiscal Note of Bill No. 217-35 (COR)

AN ACT TO ADD § 58104(r) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO CREATING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM.

| Department/Agency Appropriation Information | | | | | | |
|--|---|------------|--|--|--|--|
| Dept/Agency Affected: Guam Economic Development Authority (GEDA) | Dept/Agency Head: Melanie Mendiola, Adm | inistrator | | | | |
| Department's General Fund (GF) appropriation(s) to date: | | SO | | | | |
| Department's Other Fund (Specify) appropriation(s) to date: | | <u>\$0</u> | | | | |
| | | 50 | | | | |

| Fund Source Information of Proposed Appropriation | | | | | | | |
|---|---------------|--------------|--------|--|--|--|--|
| | General Fund: | Special Fund | Total: | | | | |
| FY 2019 Unreserved Fund Balance | | \$0 | 50 | | | | |
| FY 2020 Adopted Revenues | SO | SO | \$0 | | | | |
| FY 2020 Аррго. <u>(Р.L. 35-36)</u> | SO | S0 | 50 | | | | |
| Sub-total: | SO | S0 | S0 | | | | |
| Less appropriation in Bill | 50 | S0 | \$0 | | | | |
| Total: | 50 | S0 | \$0 | | | | |

| | | Esti | mated Fiscal Impact | t of Bill | | | | | |
|--|---|---|---------------------|-----------|------------|--------------|-----------|---------|--|
| | One Full Fiscal Year | For Remainder of FV 2020 (if applicable) | FY 2021 | FY | 2022 | FY 20 | 023 | FY 2024 | |
| General Fun | d \$0 | 50 | S0 | | \$(|) | S0 | | |
| Special Fund | S0 | SO | S 0 | | S |) | \$0 | | |
| Total | 1/ \$0 | \$0 | <u>\$0</u> | | \$0 | | <u>50</u> | | |
| | appropriated adequate t is the additional amou | | e appropriation? | | N/A N/A | 112 | Yes | // No | |
| - | Bill establish a new prog | the second se | | 7267 | 19776 | / X/ | Yes | // 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? | | | | | | 11 | | /X/ No | |
| Will the enactment of this Bill require new physical facilities? Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: | | | | | | | | /X/ No | |
| | sted agency comments i | | • | cason: | / / Othe | / X/ ` r: | 1 C5 | / / No | |

| Analyst: Chart | Date: 15 VOJ 19 Director | //// | Dat NOV 1 5 2019 |
|------------------------------|--------------------------|----------------------------------|------------------|
| Jose Salas Cruz, Jr., BMA II | sta. 11/15 | Lester L. Carlson, Jr., Director | |
| | 41. | / // | |

1/ The Bill, if passed, would establish a commercial drone industry and provides the following: (1) Definition of what a commercial drone is; (2) states what the industry shall encompass; (3) how the entity shall qualify; and (4) administrative provisions and penalties for failure to conform to the requirements. Absent information from the Guam Economic Development Authority, the Bureau is unable to determine the overall impact on the Government of Guam, if an entity were to be granted a qualifying certificate. However, if an entity were to be granted a qualifying certificate. However, if an entity were to be granted a qualifying certificate, the Bureau notes that that the use of tax credits may reduce the expected revenues due to the government. This is so as the filing of tax credits take priority over annual appropriations and may have an adverse effect on the government programs.