

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
218-35 (COR)	James C. Moylan	AN ACT TO AMEND § 58104(f) AND TO ADD § 58104.1, BOTH OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO CREATING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A PROCESSING TRADE, AND A DISTRIBUTION, TRANSFORMATION OR FULFILLMENT CENTER INDUSTRY ON GUAM.	10/9/19 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 Telen 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

November 18, 2019

Senator Clynton E. Ridgell,
Member

Senator Joe S. San Agustin,
Member

Senator Jose "Pedro" Terlaje,
Member

Senator Therese M. Terlaje,
Member

Senator James C. Moylan,
Member

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

MEMO

To: 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. 218-35 (COR)**

AN ACT TO AMEND § 58104(f) AND TO ADD § 58104.1, BOTH OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO CREATING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A PROCESSING TRADE, AND A DISTRIBUTION, TRANSFORMATION OR FULFILLMENT CENTER INDUSTRY ON GUAM.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Economic Development Authority (GEDA)	Dept./Agency Head: Melanie Mendiola, Administrator
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund (Specify) appropriation(s) to date:	\$0
	\$0

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund	Total:
FY 2019 Unreserved Fund Balance		\$0	\$0
FY 2020 Adopted Revenues	\$0	\$0	\$0
FY 2020 Appro. (P.L. 35-36)	\$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 2020 (if applicable)	FY 2021	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$0	\$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? /X/ Yes / / No
If yes, will the program duplicate existing programs/agencies? / / 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: 	Date: 15 NOV 19	Director: 	Date: NOV 15 2019
Jose Salas Cruz, Jr., BMA II		Lester L. Carlson, Jr., Director	

1/The intent of Bill 218-35 (COR) is to (1) amend §58104(f) and (2) to add §58104.1 to Chapter 58, Title 12, Guam Code Annotated. The amendment would allow for a qualified entity to apply for a qualifying certificate if the activity is relative to a processing trade company, and/or a distribution transformation or fulfillment center. The addition §58104.1 would require the approval of new qualifying certificates to be made by the Governor of Guam after the consent of the Guam Economic Development Authority's Board of Directors. It would also exclude the need legislative approval as stipulated to Public Law 34-116, Chapter XIII, Section 8.

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, 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.