

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
252-35 (COR)	Amanda L. Shelton Joe S. San Agustin	AN ACT TO APPROPRIATE FOUR HUNDRED THIRTY THREE THOUSAND DOLLARS (\$433,000) FROM THE EARNINGS OF THE UOG HIGHER EDUCATION ENDOWMENT FUND TO THE UNIVERSITY OF GUAM PURSUANT TO §221305 OF ARTICLE 13 OF CHAPTER 22 OF TITLE 5 OF THE GUAM CODE ANNOTATED.	11/20/19 4:13 p.m.	1/7/20	Committee on General Government Operations, Appropriations, and Housing			Request: 1/8/20 1/14/20	

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

January 14, 2020

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

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. 251-35 (COR)
Bill No. 252-35 (COR)
Bill No. 255-35 (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. 252-35 (COR)

AN ACT TO APPROPRIATE FOUR HUNDRED THIRTY THREE THOUSAND DOLLARS (\$433,000) FROM THE EARNINGS OF THE UOG HIGHER EDUCATION ENDOWMENT FUND TO THE UNIVERSITY OF GUAM PURSUANT TO §221305 OF ARTICLE 13 OF CHAPTER 22 OF TITLE 5 OF THE GUAM CODE ANNOTATED.

Department/Agency Appropriation Information

Dept./Agency Affected: University of Guam	Dept./Agency Head: Dr. Thomas W. Krise, President
Department's General Fund (GF) appropriation(s) to date:	\$27,411,845
Department's Other Fund appropriation(s) to date:	\$0
Total Department/Agency Appropriation(s) to date:	\$27,411,845

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2019 UOG Higher Education Endowment Fund Balance	\$0	\$0	\$0
FY 2020 Adopted Revenues	\$0	\$0	\$0
FY 2020 Appro. (P.L. 35-36 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 2020 (if applicable)	FY 2021	FY 2022	FY 2023	FY 2024
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

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|---------------------------------------------------------------------------------------|------------|----------|
| 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 | / / No |
| 3. Does the Bill establish a new program/agency? | / / Yes | / X/ No |
| If yes, will the program duplicate existing programs/agencies? | / X/ N/A | / / Yes |
| Is there a federal mandate to establish the program/agency? | / / Yes | / X/ No |
| 4. Will the enactment of this Bill require new physical facilities? | / / Yes | / X/ No |
| 5. 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>Abigail Reyes, BMA III</u>	Date: <u>1/13/2020</u>	Director: <u>Lester L. Carlson, Jr., Director</u>	Date: <u>JAN 14 2020</u>
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Notes:
 1/ See attached comments.

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 252-35 (COR)**

The proposed legislation intends to appropriate \$433,000 from the earnings of the UOG Higher Education Endowment Fund (the Fund), as of the end of Fiscal Year 2019, to the University of Guam for purposes enumerated in §221305 of Article 13 of Chapter 22 of 5 GCA. Expenditures from the Fund shall be for the enhancement of learning resources and technology, including purchase of computers, books, subscriptions, periodicals, and other library supplies and materials. The Fund can also be used for training and management of library materials and resources. Further, §221305 of Article 13 of Chapter 22 of 5 GCA states that UOG shall determine how the appropriation is to be allocated following the guidelines listed above. It should be noted that appropriations from the Fund, after the first five years, shall be limited to ninety percent (90%) of the earnings of the Fund.

Based on the most recent audited financial statements of UOG for years ended September 30, 2018 and 2017 (as restated), the net investment income of the Fund as of December 31, 2017 amounts to \$1,552,646. Furthermore, based on the FY2018 Government of Guam Financial Audit, under the “Discretely Presented Component Unit Disclosure”, the UOG Higher Education Endowment Fund earnings (to be expended exclusively for enhancement of learning resources and technology) amounted to \$2,191,566. It should be noted that the Bureau does not have access to the balances and activities within the Fund on the AS400 Financial System. As such, the Bureau is unable to comment on the current balance of the Fund at the end of FY 2019 and determine if the proposed appropriation amount of \$433,000 is within the 90% of earnings limitation.

UOG is in support of this proposed legislation and does not anticipate any negative financial impact on the Government of Guam should it pass.