

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
284-35 (COR)	Kelly Marsh (Taitano), PhD	AKTON AYUDA I MANÑAÑANGU TO AMEND § 77112.3 OF CHAPTER 77, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO APPLICATION OF TAX CREDITS TO THE DEPARTMENT OF PARKS AND RECREATION FOR THE PURPOSE OF THE RENNOVATION, REPAIRS AND MAINTENANCE OF THE HAGÁTÑA AND DEDEDO SWIMMING POOLS.	2/7/20 4:41 p.m.					3/3/20	

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

March 3, 2020

Senator Clynton E. Ridgell,
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Member

Senator Jose "Pedro" Terlaje,
Member

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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 Note on Bill No. 284-35 (COR).

Buenas yan Håfa adai.

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

Bill No. 284-35 (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. 284-35 (COR)

AKTON AYUDA I MANNANANGU TO AMEND § 77112.3 OF CHAPTER 77, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO APPLICATION OF TAX CREDITS TO THE DEPARTMENT OF PARKS AND RECREATION FOR THE PURPOSE OF THE RENOVATION, REPAIRS AND MAINTENANCE OF TE HAGÁTÑA AND DEDEDO SWIMMING POOLS.

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Parks and Recreation (DPR)	Dept./Agency Head: Jesse Garcia, Acting Director
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund appropriation(s) to date: Limited Gaming Fund (\$558,692); Public Recreation Services Fund (\$112,707); Tourist Attraction Fund (\$2,939,104)	\$3,610,503
Total Department/Agency Appropriation(s) to date:	\$3,610,503

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund:	Total:
FY 2019 Unreserved Fund Balance	\$0	\$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	1/	\$0	\$0	\$0	\$0	\$0
Total	\$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? / / 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
 /X/ Requested agency comments not received by due date: GEDA / / Other:

Analyst: Raymond Rieta Date: 2/28/2020 Director: Lester L. Carlson, Jr. Date: **FEB 28 2020**

Notes:
 1/: See attached comments.

Bureau of Budget & Management Research
Comments on Bill No. 284-35 (COR)

The proposed legislation intends to amend § 77112.3 of Chapter 77, Title 21, Guam Code Annotated relative to the application of tax credits to individuals, corporations, or limited liability companies making up-front contributions to the Department of Parks and Recreation (DPR). The existing law authorizes tax credits to contributors whose contributions are intended for the development, upgrading, repair, and maintenance of the Paseo Stadium. Bill No. 284-35 amends the beneficiaries of tax credits to those contributors whose contributions go towards the development, upgrading, repair, renovation, and maintenance of the Hagåtña and Dededo Swimming Pools. As per the Bill, contributors shall be authorized tax credits not to exceed the aggregate amount for all contributors collectively, of Five Hundred Thousand Dollars (\$500,000) annually for the first two (2) years following the enactment of this Law and One Hundred Thousand Dollars (\$100,000) annually for five (5) subsequent years. All tax credits referred to in this Section shall mean tax credits applied against excise tax liabilities.

Incentives to encourage outside contributions towards the upkeep of the island's public pools should be beneficial to DPR as it would alleviate the need for public funds. However, absent additional information the Bureau is unable to determine the true impact the Government of Guam may face. The Bureau notes it is concerned that the use of tax credits will impact the government's ability to manage the finances of the government of Guam as it will reduce the expected revenues due to the government. The filing of tax credits by the taxpayer will reduce funding for appropriations in the annual budget which may impact government programs. Furthermore, with the legislation specifically changing Paseo Stadium to the Hagåtña and Dededo Swimming Pools, the Paseo Stadium will no longer benefit from the contributions from outside sources through the existing law.