

*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
287-35 (COR)	Joe S. San Agustin Jose "Pedro" Terlaje Clynton E. Ridgell	AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.	2/10/20 4:17 p.m.	3/5/20	Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor			3/6/20	

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*  
35<sup>TH</sup> GUAM LEGISLATURE

March 6, 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 Note on Bill Nos. 281-35 (LS), 287-35 (COR), and 297-35 (COR).

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*Buenas yan Håfa adai.*

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

**Bill No. 281-35 (LS)**  
**Bill No. 287-35 (COR)**  
**Bill No. 297-35 (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. 287-35 (COR)**

**AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Labor	Dept./Agency Head: David Dell'Isola, Director
Department's General Fund (GF) appropriation(s) to date:	\$2,245,703
Department's Other Fund (Specify) appropriation(s) to date: MDF (\$567,900)	\$567,900
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$2,813,603</b>

Fund Source Information of Proposed Appropriation			
	General Fund: <sup>1</sup>	(Specify Special Fund): <sup>2</sup>	Total:
FY 2019 Unreserved Fund Balance	-		
FY 2020 Adopted Revenues	\$645,038,669	\$256,417,630	\$901,456,299
FY 2020 Appropriation (P.L. 35-36 thru P.L. 35-73) <sup>1</sup>	(\$645,338,669)	(\$256,417,630)	(\$901,756,299)
Sub-total:	(\$300,000)	\$0	(\$300,000)
Less General Fund revenue <sup>2</sup> reduction in Bill No. 287-35 (COR)	(\$1,100,000)	\$0	(\$1,100,000)
<b>Total:</b>	<b>(\$1,400,000)</b>	<b>\$0</b>	<b>(\$1,400,000)</b>

<sup>1/</sup> Additional GF Approp. in P.L. 35-40 (\$300,000) and GMHA CIF P.L. 35-73 (\$10,000,000)

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 <sup>2</sup>	\$0	\$1,100,000	\$4,400,000	\$0	\$0	\$0
Special Revenue Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$1,100,000</b>	<b>\$4,400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>2/</sup> See comment sheet.

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|---|------------------|-------------------------------|------------------------------|
| 1. Does the bill contain "revenue generating" provisions?<br>If Yes, see attachment   |                  | / / Yes                       | / x / No                     |
| 2. Is amount appropriated adequate to fund the intent of the appropriation?<br>If no, what is the additional amount required? \$ _____  | / x / N/A        | / / Yes                       | / / No                       |
| 3. Does the Bill establish a new program/agency?<br>If yes, will the program duplicate existing programs/agencies?<br>Is there a federal mandate to establish the program/agency? | / x / N/A        | / / Yes<br>/ / Yes<br>/ / Yes | / / No<br>/ / No<br>/ 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:<br>/ / Requested agency comments not received by due date                                   |                  | / x / Yes                     | / / No                       |
|   | / / Other: _____ |                               |                              |

Analyst:  John AB Pangelinan, Supervisor	Date: 3/03/20	Director:  Lester Carlson, Jr., Director, BBMR	Date: <b>MAR 06 2020</b>
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Footnotes:  
<sup>2/</sup> See comment sheet.

Comments to Legislative Bill No. 287-35 (COR):

The intent of this proposed legislation is to increase the participation of private businesses to accommodate the need for trained and skilled workers in the construction field, heavy equipment, and renewable energy technology industries. To accomplish such endeavor, amendments of this Bill were proposed to established statutes in Title 9 and 22 of the Guam Code Annotated (GCA).

These proposed amendments are as follows:

- § 10102(a) of Article 1, Chapter 10, Division 1, Title 22, GCA is amended to include the title of pre-apprentice as part of the apprentice program;
- A new § 10102(q) is added to Article 1, Chapter 10, Division 1, Title 22, GCA, that defines the meaning of the term, "Skilled Trainer;"
- § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA is amended to increase the tax credits to 100% of those businesses that provided skilled trainers to the Eligible Training Provider List (ETPL). This amendment also includes participation of non-profit organizations, working with a registered ETPL on Guam, which employs skilled workers at 100% against their business privilege tax liability of the eligible costs paid or incurred by them. These eligibility costs must be incurred by businesses' skilled trainers who are required to provide training in the construction field, heavy equipment and renewable energy technology industries;
- A new §§ 10108(j) and 10108(k) are added to Article 1, Chapter 10, Division 1, Title 22, GCA to include the mandated requirements needed to receive the 100% tax credit;
- § 81.10(a) of Title 9, GCA is amended to include participants in the pre-apprenticeship program as authorized through the Guam Registered Apprenticeship Program as provided for in Article 1 of Chapter 10, Division 1, Title 22, GCA. § 81.10(a)(1) of Title 9, GCA is amended to include both male and female participants. § 81.10(c) of Title 9, GCA is amended to delineate the benefits of the proposed Work Credit program; and
- § 7120(b)(2)(A) of Article 1, Chapter 7, Division 1, Title 22, GCA is amended to include Pre-Apprenticeship in the training program at the Guam Community College (GCC). § 7120(b)(2)(C) of Article 1, Chapter 7, Division 1, Title 22, GCA is also amended to include any authorized non-profit organization in the training program with Department of Education (DOE).

With the amendment exception of the § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA, all other amendments noted above are administrative in nature. The amendment of § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA would impact the General Fund (GF) business privilege tax FY 2020 revenues should it be enacted within this fiscal year and also adopted GF revenues for FY 2021.

The estimated annual fiscal impact is \$4.4 million. This baseline number is based on the past three fiscal years tax credits approved by DOL to approximately sixteen businesses that are receiving tax credits at 50% of their eligible costs incurred or paid by them against their business privilege tax liabilities per this statute. The annual tax credit amount is over \$4.0 million annually. It is assumed that all participating businesses will meet all requirements to receive the remaining 50% tax credit of their eligibility cost upon the enactment of the proposed amendment in the current fiscal year.

Assuming this Bill is enacted by July 1, 2020, the fiscal impact is estimated at \$1.1 million to the GF, which is based on the remaining three months of the fiscal year and is attributed to all participating businesses receiving 100% tax credit of the program. For FY 2021, the full fiscal impact, estimated at additional \$4.4 million, would take place in FY 2021 against legislatively adopted GF revenues.