

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
31-35 (COR)	James C. Moylan	AN ACT TO ADD A NEW CHAPTER 8 TO DIVISION 1 OF TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A PERMANENT ONE STOP BUSINESS LICENSE AND PERMIT CENTER OPERATED BY THE DEPARTMENT OF REVENUE AND TAXATION (DRT).	1/28/19 2:23 p.m.	1/31/19	Committee on General Government Operations, Appropriations, and Housing			Request: 2/4/19 Fiscal Note: 2/19/19	

Senator Amanda L. Shelton,
Vice Chairperson

Speaker Tina Rose Muña Barnes,
Member

Vice Speaker Telena Cruz Nelson,
Member

Senator Kelly Marsh (Taitano), Ph.D.,
Member

Senator Sabina Flores Perez
Member

Senator Clynton E. Ridgell
Member



COMMITTEE ON RULES
SENATOR RÉGINE BISCOE LEE, CHAIR
I MINA 'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Joe S. San Agustin,
Member

Senator Jose T. Terrence,
Member

Senator Therese M. Terrence,
Member

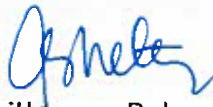
Senator James C. Morahan,
Member

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

February 19, 2019

MEMO

To: **Rennae Meno**
Clerk of the Legislature

From: **Senator Amanda L. Shelton** 
Acting Chairperson, Committee on Rules

Re: **Fiscal Notes**

Buenas yan Háfa adai.

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

Bill No. 31-35 (COR)
Bill No. 36-35 (COR)
Bill No. 43-35 (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. 31-35 (COR)**

AN ACT TO ADD A NEW CHAPTER 8 TO DIVISION 1 OF TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A PERMANENT ONE STOP BUSINESS LICENSE AND PERMIT CENTER OPERATED BY THE DEPARTMENT OF REVENUE AND TAXATION (DRT).

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Revenue and Taxation		Dept./Agency Head: Dafne M. Shimizu, Acting Director	
Department's General Fund (GF) appropriation(s) to date:		8,435,879	
Department's Other Fund appropriation(s) to date: Banking and Insurance Enforcement Fund, Better Public Service Fund, and Tax Collection Enhancement Fund		3,014,354	
Total Department/Agency Appropriation(s) to date:		11,450,233	

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund)	Total:
FY 2018 Unreserved Fund Balance		\$0	\$0
FY 2019 Adopted Revenues	\$0	\$0	\$0
FY 2019 Appro. (P.L. 34-116 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

Fund 1/	One Full Fiscal Year	For Remainder of FY 2019 (if applicable)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund	\$0	\$399,656	\$219,486	\$219,714	\$220,200	\$220,452
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$399,656	\$219,486	\$219,714	\$220,200	\$220,452

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? /X/ N/A // Yes // No
If no, what is the additional amount required? \$ /X/ N/A
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 // No
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>Tammy Amuan</u> Tammy Amuan, BMA II	Date: <u>02/12/2019</u>	Director: <u>Lester L. Carlson, Jr.</u> Lester L. Carlson, Jr., Acting Director	Date: <u>FEB 15 2019</u>
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Footnotes / Notes:

1/ See attached comments.

COMMENTS ON BILL NO. 31-35 (COR)

The proposed legislation intends to add a new Chapter 8 to Division 1 of Title 11, Guam Code Annotated, relative to establishing a permanent One Stop Business License and Permit Center operated by the Department of Revenue and Taxation (DRT).

DRT provided the preliminary cost impact estimates in order to fulfill the intent of subject bill and are as follows:

Cost Impact for Bill No. 31-35 (COR)	
Requirement	Estimated Cost
Staff of Six (6) License Officers I @ salary \$26,520ea + benefits \$9,056ea	213,456
Computers for Six (6) Staff @ \$5,000ea	30,000
One (1) Printer @ \$5,000	5,000
Cubicle Set for Six (6) Staff @ \$25,000ea	150,000
Estimated Annual Cumulative Increment Requirement for Six (6) Entry-Level License Officers I based upon a 3.65% increment rate for five (5) years	32,520
GT	\$430,976

DRT further details in correspondence that the preliminary cost impact estimates are exclusive to the requirements of DRT and that determination of impact to other affected stakeholders (i.e. DPHSS, GFD, DPW, and EPA) are unknown at this time and data would need to be obtained from those respective agencies for assessment of an all-inclusive fiscal impact of the proposed bill.

It is also noteworthy to mention that there are other potential costs which were not factored into DRT's preliminary cost impact estimates such as projected additional overhead costs, maintenance and supplies for computers and printers, office space rental agreements with DPW, anticipated contractual needs relative to office equipment/printer/cubicles, and if existing One Stop Permit Center has sufficient square footage to accommodate six (6) more DRT staff and respective equipment and supplies.