

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
342-35 (LS)	Louise B. Muña	AN ACT TO ADD A NEW §26203(k)(38) TO CHAPTER 26, TITLE 11 GUAM CODE ANNOTATED RELATIVE TO EXEMPTING FEDERAL DISASTER ASSISTANCE FROM THE BUSINESS PRIVILEGE TAX.	4/13/20 4:57 p.m.	5/12/20	Committee on General Government Operations, Appropriations, and Housing			5/19/20	

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

May 19, 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. 322-35 (COR)
Bill No. 329-35 (COR)
Bill No. 342-35 (LS)
Bill No. 349-35 (COR)
Bill No. 350-35 (COR)
Bill No. 351-35 (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. 342-35 (LS)

AN ACT TO ADD A NEW § 26203(k)(38) TO CHAPTER 26 OF TITLE 11, GUAM CODE ANNOTATED RELATIVE TO EXEMPTING FEDERAL DISASTER ASSISTANCE FROM THE BUSINESS PRIVILEGE TAX.

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Revenue and Taxation (DRT)	Dept./Agency Head: Dafne Mansapit-Shimizu, Director
Department's General Fund (GF) appropriation(s) to date:	\$9,410,539
Department's Other Fund appropriation(s) to date: Banking and Insurance Enforcement Fund (\$416,051); Better Public Service Fund (\$1,553,526); Tax Collection Enhancement Fund (\$910,241)	\$2,879,818
Total Department/Agency Appropriation(s) to date:	\$12,290,357

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	\$0	1/	\$0	\$0	\$0	\$0
Total	\$0	1/	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions?
If Yes, see attachment // Yes No
- Is amount appropriated adequate to fund the intent of the appropriation?
If no, what is the additional amount required? \$ _____ /X/ N/A // Yes No
- Does the Bill establish a new program/agency?
If yes, will the program duplicate existing programs/agencies? / / Yes No
Is there a federal mandate to establish the program/agency? /X/ N/A // Yes No
- Will the enactment of this Bill require new physical facilities? // Yes No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason:
/X/ Requested agency comments not received by due date: DRT /X/ Yes No Other: _____

Analyst: <u>Raymond Reta, BMA II</u>	Date: <u>5/18/2020</u>	Director: <u>Lester L. Carlson, Jr., Director</u>	Date: <u>MAY 19 2020</u>
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Notes:
 1/ The intent of Bill No. 342-35 is to include any subsidies by the United States Government or any of its instrumentalities including but not limited to, disaster assistance payments and forgiveness for debt obligations made as a result of a disaster declaration, state of emergency declaration or act of Congress for a disaster or emergency relief to be exempt from the Business Privilege Tax (BPT) law. Referencing the Guam Economic Development Authority's (GEDA) testimony on Bill 1-35 (LS), GEDA testified that there may be a potential violation of the BPT bond indenture that states: "as long as any Bonds remain outstanding, the Government shall not reduce the rate of levy collection of the pledged business privilege tax below three percent (3%), nor shall the Government reduce services, products, or activities to which the pledged business privilege tax applies, nor shall the Government upwardly adjust any exception or exclusion, or otherwise impair, the pledged business privilege tax." The Bureau is noting similar concerns from GEDA may be brought up regarding Bill 342-35 (LS). Furthermore, the Bureau notes that any proposed exemptions to the BPT may affect potential collections to be received by the General Fund.