

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
63-35 (COR)	Therese M. Terlaje	AN ACT TO ADD A NEW (d) to § 77125, CHAPTER 77, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO APPROVING AND AUTHORIZING THE GUAM NATIONAL TENNIS FEDERATION TO ASSIGN ITS LEASE TO ITS SUCCESSOR ENTITY AND FOR THE GUAM NATIONAL TENNIS FEDERATION, INC. TO ENTER INTO A LEASEHOLD MORTGAGE PURSUANT TO § 77125 (b) (2) OF CHAPTER 77, TITLE 21, GCA.	3/12/19 3:58 p.m.	3/22/19	Committee on Health, Tourism, Military Affairs and Senior Citizens			Request 3/22/19 Fiscal Note: 3/22/19	

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 63-35 (COR)**

AN ACT TO ADD A NEW (d) TO § 77125, CHAPTER 77, TITLE 21, GUAM COE ANNOTATED, RELATIVE TO APPROVING AND AUTHORIZING THE GUAM NATIONAL TENNIS FEDERATION TO ASSIGN ITS LEASE TO ITS SUCCESSOR ENTITY AND FOR THE GUAM NATIONAL TENNIS FEDERATION, INC. TO ENTER INTO A LEASEHOLD MORTGAGE PURSUANT TO § 77125 (b) (2) OF CHAPTER 77, TITLE 21, GCA.

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Parks and Recreation (DPR)	Dept./Agency Head: Richard Ybanez, Acting Director
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund appropriation(s) to date: Limited Gaming Fund - \$524,913; Public Recreation Services Fund - \$174,907; Tourist Attraction Fund - \$2,762,481	<u>\$3,462,301</u>
Total Department/Agency Appropriation(s) to date:	\$3,462,301

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund (specify)	Total:
FY 2018 Unreserved Fund Balance		\$0	\$0
FY 2019 Adopted Revenues	\$0	\$0	\$0
FY 2019 Appro. (P.L. 34-116 thru 34-162)	\$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 2019 (if applicable)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund (specify)	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$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 /X/ 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: / / Yes / / No
/X/ Requested agency comments not received by due date (DPR)

Analyst: Raymond A. Bata Date: 3/21/19 Director: Lester L. Carlson, Jr. Date: MAR 22 2019
Raymond A. Bata, BMA I Lester L. Carlson, Jr., Acting Director

Notes:

1/: Bill No. 63-35 proposes to authorize the Guam National Tennis Federation (GNTF) to assign its lease with the Government of Guam, established in 21 GCA § 77125, to its successor entity, the Guam National Tennis Federation, Inc. (GNTF Inc.). The Bill also intends for GNTF Inc. to enter into a leasehold mortgage on property leased from DPR to secure bank financing to cover the remaining costs of several construction projects. Per the Bureau's fiscal note on Bill No. 116-31 (COR) which established § 77125 through the enactment of P.L. 31-67, there is a potential for additional revenues to the Government of Guam with reference to § 77125 (b)(5) should the tax status of the lessee change and the lease be renegotiated. If such change shall be to a for-profit entity, the annual rate of the lease shall be no less than ten percent (10%) of the actual market value of the property. However, with the Bill in its present form and absent additional information from DPR the fiscal impact cannot be determined at this time.