



Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

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March 19, 2021

# MEMO

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

**From:** **Vice Speaker Tina Rose Muña Barnes**  
Chairperson, Committee on Rules

**Re:** **Fiscal Notes**

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*Buenas yan Håfa adai.*

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

**Bill No. 70-36 (COR)**

**Bill No. 72-36 (COR)**

**Bill No. 74-36 (COR)**

**Bill No. 75-36 (COR)**

Please forward the same to Management Information Services (MIS) for posting on our website.

If you have 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. 70-36 (COR)**

AN ACT TO ADD A NEW CHAPTER 54 TO TITLE 11 OF THE GUAM CODE ANNOTATED, TO CREATE TAX REBATES FOR PERSONAL PROTECTIVE EQUIPMENT (PPE); THIS ACT SHALL BE KNOWN AS "PPE FOR GUAM ACT OF 2021".

**Department/Agency Appropriation Information**

Dept./Agency Affected: Government of Guam Wide	Dept./Agency Head: Lourdes A. Leon Guerrero, Governor
Department's General Fund (GF) appropriation(s) to date:	\$630,111,951
Department's Other Fund appropriation(s) to date: All Special Funds per P.L. 35-99	\$210,717,690
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$840,829,641</b>

**Fund Source Information of Proposed Appropriation**

	General Fund:	Special Fund:	Total:
FY 2020 Unreserved Fund Balance	\$0	\$0	\$0
FY 2021 Adopted Revenues	\$0	0	0
FY 2021 Appro. (P.L. 35-99)	\$0	0	0
Sub-total:	\$0	0	0
Less appropriation in Bill	\$0	0	0
<b>Total:</b>	<b>\$0</b>	<b>0</b>	<b>0</b>

**Estimated Fiscal Impact of Bill**

	One Full Fiscal Year	For Remainder of FY 2021 (if applicable)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	\$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: DRT / / Other:

Analyst: Raymond Rieta Date: 3/15/2021 Director: Lester L. Carlson, Jr. Date: MAR 19 2021  
Raymond Rieta, BMA II 3/15/21 Lester L. Carlson, Jr., Director

Notes:  
1/ See attached comments.

**Bureau of Budget & Management Research**  
**Comments on Bill No. 70-36 (COR)**

The proposed Bill seeks to provide eligible taxpayers a tax rebate as reimbursement for their purchase of Personal Protective Equipment or PPEs, citing this legislation as “The PPE for Guam Act of 2021”. The PPEs will include gloves, face masks, respirators, face shields, eye protection, gowns and aprons, boots or closed-toe work shoes, cleaning detergents, hand sanitizers, air purifiers, cleaning products and tools for the purpose of reducing the risk of the Coronavirus Disease 2019 (COVID-19).

The proposed rebate is to be in an amount equal to the qualified expenses incurred by the taxpayer, but not to exceed \$500 of personal income taxes paid by individual and resident head of household taxpayers. Additionally, the Bill tasks the Tax Commissioner to develop and implement the necessary procedures for this legislation. The Bill also includes a Sunset Provision whereas the Act will become ineffective upon the receipt by the Director of Revenue and Taxation of a certificate from the Director of the Department of Public Health and Social Services stating that it is no longer necessary for eligible taxpayers to spend their own money on PPEs as a mandate to mitigate the spread of the Coronavirus. Furthermore, it should be noted that the Bill further adds new procedural requirements for the Tax Commissioner to develop and implement the rules and regulations for this Act to include PPE- QCs (Qualifying Certificates).

The Bureau notes that there is a potential for reduced revenues in the form of income taxes as well as a corresponding increase to tax refunds should the proposed PPE rebate become law. However, due to the effect on income taxes and/or tax refunds being dependent on: 1) total taxpayers claiming the PPE rebate, 2) the value of the rebate claim, and 3) the eligibility of each rebate claim, the Bureau cannot determine an approximate financial impact at this time.