

*I Mina'trentai Sais 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
69-36 (COR)	Committee on Air Transportation, Parks, Tourism, Higher Education, and the Advancement of Women, Youth and Senior Citizens by request of <i>I Kongressun Manhoben Guåhan</i> , the Guam Youth Congress, in accordance with 2 GCA § 7102.	AN ACT TO ADD A NEW CHAPTER 54C TO DIVISION 2 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO PROHIBITING THE SALE OF POLYSTYRENE FOAM CONTAINERS AND SERVING OF PREPARED FOODS USING POLYSTYRENE FOAM CONTAINERS.	3/2/21 10:44 a.m.	3/2/21	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning			Request: 3/3/21  3/24/21	



Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

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March 24, 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. 69-36 (COR)**

**Bill No. 81-36 (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. 69-36 (COR)**

**AN ACT TO ADDA NEW CHAPTER 54C TO DIVISION 2 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO PROHIBITING THE SALE OF POLYSTYRENE FOAM CONTAINERS AND SERVING OF PREPARED FOODS USING POLYSTYRENE FOAM CONTAINERS.**

**Department/Agency Appropriation Information**

<b>Dept./Agency Affected:</b> Guam Environmental Protection Agency	<b>Dept./Agency Head:</b> Walter Leon Guerrero, Administrator
<b>Department's General Fund (GF) appropriation(s) to date:</b>	\$0
<b>Department's Other Fund (Specify) appropriation(s) to date:</b> Air Pollution Control Fund (\$162,292), Guam Env. Trust Fund (\$464,261), Pesticide Management Fund (\$94,989), Water Protection Fund (\$71,950), Water Research & Development Fund (\$66,411), Recycling Revolving Fund (\$2,365,523)	\$3,225,426
<b>Total Department/Agency Appropriation(s) to date:</b>	\$3,225,426

**Fund Source Information of Proposed Appropriation**

	General Fund:	(Specify Special Fund):	Total:
<b>FY 2021 Unreserved Fund Balance</b>		\$0	\$0
<b>FY 2022 Adopted Revenues</b>	\$0	\$0	\$0
<b>FY 2022 Appro. (P.L. 35-99 thru _____)</b>	\$0	\$0	\$0
<b>Sub-total:</b>	\$0	\$0	\$0
<b>Less appropriation in Bill</b>	\$0	\$0	\$0
<b>Total:</b>	\$0	\$0	\$0

**Estimated Fiscal Impact of Bill**

	One Full Fiscal Year	For Remainder of FY 2022 (if applicable)	FY 2022	FY 2023	FY 2024	FY 2025
<b>General Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Recycling Revolving Fund</b>	1/	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	\$0	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? / / Yes / / No 1/  
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? / / N/A / / Yes / / No 1/  
If no, what is the additional amount required? \$ \_\_\_\_\_ / / N/A
- Does the Bill establish a new program/agency? / / Yes /X/ No 1/  
If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes / / No 1/  
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 1/  
/ / Requested agency comments not received by due date / / Other: Data pulled from AS400

<b>Analyst:</b> <u>Joaquin Blaz</u>	<b>Date:</b> <u>3/18/21</u>	<b>Director:</b> <u>Lester L. Carlson, Jr., Director</u>	<b>Date:</b> <u>MAR 23 2021</u>
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**Notes:**  
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
 COMMENTS ON BILL NO. 69-36 (COR)

The proposed legislation establishes a new Chapter 54C to Division 2 of Title 10, Guam Code Annotated, prohibiting the sale and use of Polystyrene Foam Containers.

Vendors or restaurants shall not import, sell, or distribute disposable containers unless said containers are made of paper or other plant-based materials; or made of plastic made from bio-based polymers. The containers shall be biodegradable or compostable; or if not then be made of highly durable polypropylene (PP) marked with the SPI resin identification code five (5).

The Guam Environmental Protection Agency (GEPA) shall be responsible for an educational outreach program and enforcement with fines for violators ranging from \$500 to \$10,000. Fees collected shall be deposited into the Recycling Revolving Fund to be used for enforcement of the ban and to educate the consumer and business community on alternative materials for disposable containers.

The Bill also requires the Guam Solid Waste Authority (GSWA) to assess an Expanded Polystyrene Surcharge of no less than 30% of standard charges on all municipal waste derived from parties or areas not subject to the jurisdiction of the proposed Chapter. GSWA may waive the surcharge if they enter into a Memorandum of Agreement with such parties or areas subject to compliance with the requirements of the legislation. The effective date of the Act shall be on January 1, 2023.

The proposed legislation may impose a fiscal impact on GEPA and GSWA. Such impacts may include personnel costs to ensure the enforcement of the requirements of the Bill. Revenues may be collected from fines but such fines are highly unlikely given the long lead time for outreach. Estimated revenues (see table below) from fines may range from \$18,000 to \$70,000, as outlined in the table below:

Estimated # of Retail Establishments/Wholesale Trade	727	727	727
Estimated % in Violations	5%	2%	1%
Est. # of Violators	36	15	7
Civil Penalties for 1 <sup>st</sup> /2 <sup>nd</sup> /3 <sup>rd</sup> Offense	\$500	\$1,000	\$10,000
Total Est. Revenues	\$18,000	\$15,000	\$70,000

\*\*Guam Employment, Establishments, and Payroll by Industry, 2016, CBP, US Census Bureau – Guam Small Business Profile, 2019

There certainly exists a high probability that vendors and food establishments will certainly have enough time to come into compliance so revenues from penalties will most certainly be unlikely. The current ban on non-biodegradable plastic bags is a prime example of compliance.

Absent any pertinent information from the affected Agencies such as the number of personnel needed for enforcement, the cost of an outreach program, a dedicated email and potential website for the Program, etc., the Bureau is unable to determine an approximate fiscal impact at this time.