

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
161-36 (LS)	Committee on Air Transportation, Parks, Tourism, Higher Education, and the Advancement of Women, Youth and Senior Citizens by request of I Kongressun Manhoben Guåhan, the Guam Youth Congress, in accordance with 2 GCA § 7102.	AN ACT TO ADD NEW §§ 12122 AND 12123 TO CHAPTER 12, TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THAT ALL TEACHERS EMPLOYED AT GUAM CHARTER SCHOOLS BE CERTIFIED BY THE GUAM COMMISSION ON EDUCATOR CERTIFICATION, AND TO ESTABLISHING EXEMPTIONS FOR THE SAME.	7/1/21 8:35 a.m.	7/6/21	Committee on Education, Self-Determination and Historic Preservation, Infrastructure, Border Safety, Federal and Foreign Affairs, and Maritime Transportation			Request: 7/7/21 7/20/21	



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

I Mina'trentai Sais Na Liheslaturan Guåhan

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July 20, 2021

MEMO

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

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

Re: **Fiscal Note on Bill No. 161-36 (LS)**

Håfa adai,

Attached, please find the fiscal note for the following bill:

Bill No. 161-36 (LS)

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. 161-36 (LS)**

AN ACT TO ADD NEW §§ 12122 AND 12123 TO CHAPTER 12, TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THAT ALL TEACHERS EMPLOYED AT GUAM CHARTER SCHOOLS BE CERTIFIED BY THE GUAM COMMISSION ON EDUCATOR CERTIFICATION, AND TO ESTABLISHING EXEMPTIONS FOR THE SAME.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Academy Charter Schools Council	Dept./Agency Head: Evangeline Cepeda, Council Chair
Department's General Fund (GF) appropriation(s) to date:	10,710,000
Department's Other Fund (Specify) appropriation(s) to date:	-
	\$10,710,000
Dept./Agency Affected: Guam Commission for Educator Certification (GCEC)	Dept./Agency Head: Dr. Gayle F. Hendricks, Commission Chair
Department's General Fund (GF) appropriation(s) to date:	-
Department's Other Fund (Specify) appropriation(s) to date: Territorial Educational Facilities Fund (TEFF)	228,856
	\$228,856

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2020 Unreserved Fund Balance		\$0	\$0
FY 2021 Adopted Revenues	\$0	\$0	\$0
FY 2021 Appro. (P.L. 35-99 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						
	One Full Fiscal Year	For Remainder of FY 2021 (if applicable)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$0	1/	1/	1/	1/
GCEC Certification Fee Collection	\$0	\$0	1/	1/	1/	\$4,750
Total	\$0	\$0	1/	1/	1/	\$4,750

- Does the bill contain "revenue generating" provisions? / X / Yes / / No
If Yes, see attachment 1/
- 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? / / 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: / X / Yes / / No
/ / Requested agency comments not received by due date / / Other:

Analyst: William P. Taitingfong Date: 7/19/2021 Director: Lester L. Carlson, Jr. Date: JUL 20 2021

Footnotes:
1/ See comments and attachment to Bill 161-36 (LS).

Bureau of Budget & Management Research
Attachment to Fiscal Note No. 161-36 (LS)
(for revenue generating provisions)

Projected Multi-Year Revenues					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$0	\$0	\$0	\$0
GCEC Certification Fee Collection	\$0	1/	1/	1/	\$4,750
Total	\$0	1/	1/	1/	\$4,750

Comments:

1/ The enactment of Bill 161-36 will cause a potential revenue impact to the Guam Commission for Educator Certification (GCEC) in terms of increased fees with the additional certification of teachers from the 4 current Academy Charter Schools funded by the government of Guam. The Bureau estimates the potential revenue increase to be as much as \$4,750.00 annually as is illustrated below. However, the estimate revenues will not be realized until Fiscal Year 2025 as the Bill will allow the Academy Charter Schools Non-Certified Educators to take necessary action at their own expense to get a Teacher Certification and be certified GCEC in a span of 3 years. The revenues collected are deposited into the GCEC Certification Fee Collection revenue account and are expended to support GCEC operations.

Estimated Revenue Impact - Bill 161-36 (LS)

Academy Charter School	Estimated Number of Teachers 1/	GCEC Application Fee 2/	GCEC Certification Fee 2/	GCEC Total Fees	Total Estimated Fee Revenues
1. Guahan	42	\$25.00	\$25.00	\$50.00	\$2,100.00
2. iLearn	33	\$25.00	\$25.00	\$50.00	\$1,650.00
3. SIFA	16	\$25.00	\$25.00	\$50.00	\$800.00
4. Career Tech	4	\$25.00	\$25.00	\$50.00	\$200.00
Total	95				\$4,750.00

Footnotes:

1/ Based on a teacher count of the faculty/staff reflected on the respective Academy Charter School official website.

2/ Reflect the fee to obtain a certificate for a Professional Educator according to the GCEC Fee Schedule, GCEC website.

Bureau of Budget and Management Research
Comments on Bill No. 161-36 (LS)

Bill 161-36 will mandate that all Teachers employed at Academy Charter Schools funded by the government of Guam be certified by the Guam Commission on Educator Certification (GCEC). The Bill, however, will allow the Academy Charter Schools to hire a teacher not certified with the approval of the Guam Academy Charter Schools Council and provided that the hired Non-Certified Educator take the necessary action at their own expense to get a Teaching Certification and be certified by GCEC in a span of 3 years. Failure to meet the provisions upon hiring of a Non-Certified Educator would cause termination of employment.

According to the draft testimonies of the Guahan Academy Charter School and iLearn Academy Charter School which was provided and received from the Guam Academy Charter Schools Council, Bill 161-36 will have a negative impact on their respective Academy Charter Schools. If enacted, it may cause its teachers upon acquiring GCEC certification, to leave for better pay as certified teachers at the Guam Department of Education (GDOE). Dr. Judith Won Pat Borja, Chief Executive Officer of the Guahan Academy Charter Schools notes in her comments that she wants to hire certified teachers, but does not have sufficient funds to match GDOE salaries. She further indicated that should Charter Schools be mandated to hire certified teachers, equity in the per pupil cost for salaries should also then be provided so that Charter Schools do not lose its teachers to GDOE. Dr. Won Pat estimates the financial impact to her Charter School budget to be about \$603,570. In addition, Helen Nishihira, MBA and Chief Operations Officer of the iLearn Academy Charter School, notes in her comments that her Charter School was able to obtain accreditation without complying to such mandates regarding teacher certification. She further comments that Guam, like most states, experiences a teacher shortage and that the number of educators produced by the University of Guam is insufficient to cover the needs of the GDOE. What more if we add Charter Schools into that mix. Ms. Nishihara also notes that help with more equitable funding is needed and requiring certification will tie their hands with unfunded mandates and hurt education on Guam and not improve it.

The enactment of Bill 161-36 will cause a potential revenue impact to the GCEC in terms of increased fees with the additional certification of teachers from the 4 current Academy Charter Schools. The Bureau estimates the potential revenue increase to be as much as \$4,750.00 annually. (See attachment to fiscal note.) However, the estimated revenues will not be realized until Fiscal Year 2025 as the Bill will allow the Academy Charter Schools Non-Certified Educators to take necessary action at their own expense to get a Teacher Certification and be certified by GCEC in a span of 3 years. The revenues collected are deposited into the GCEC Certification Fee Collection revenue account and are expended to support the GCEC operations.