

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
192-36 (COR)	Clynton E. Ridgell	AN ACT TO ADD A NEW § 10108(j) TO ARTICLE 1, CHAPTER 10, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING INCENTIVES FOR AGRICULTURE AND AQUACULTURE OCCUPATIONS TO ENGAGE IN COST-SHARING ARRANGEMENTS WITH BUSINESSES AS PART OF THE GUAM REGISTERED APPRENTICESHIP PROGRAM.	9/9/21 9:12 a.m.	9/14/21	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning			Request: 9/15/21 9/20/21	



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

I Mina'trentai Sais Na Liheslaturan Guåhan

GUAM CONGRESS BUILDING
163 CHALAN SANTO PAPA
HAGÁTÑA, GUAM 96910
TEL 671-472-2461
COR@GUAMLEGISLATURE.ORG

September 20, 2021

MEMO

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

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

Re: **Fiscal Notes**

Håfa adai,

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

Bill No. 186-36 (COR)
Bill No. 188-36 (COR)
Bill No. 190-36 (COR)
Bill No. 192-36 (COR)
Bill No. 193-36 (COR)
Bill No. 196-36 (COR)
Bill No. 197-36 (COR)
Bill No. 199-36 (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. 192-36 (COR)**

AN ACT TO ADD A NEW § 10108(j) TO ARTICLE 1, CHAPTER 10, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING INCENTIVES FOR AGRICULTURE AND AQUACULTURE OCCUPATIONS TO ENGAGE IN COST-SHARING ARRANGEMENTS WITH BUSINESSES AS PART OF THE GUAM REGISTERED APPRENTICESHIP PROGRAM.

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Labor	Dept./Agency Head: David M. Dell'Isola, Director
Department's General Fund (GF) appropriation(s) to date:	\$1,516,821
Department's Other Fund appropriation(s) to date: Manpower Development Fund	\$1,380,000
Total Department/Agency Appropriation(s) to date:	\$2,896,821

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify 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 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	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

1. Does the bill contain "revenue generating" provisions? / / Yes / X/ No
If Yes, see attachment
2. 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
3. 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
4. Will the enactment of this Bill require new physical facilities? / / Yes / X/ No
5. 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 / / Other:

Analyst:  Date: 7/19/2021	Director:  Date: SEP 20 2021
Abigail Reyes, BMA III	Lester L. Carlson, Jr., Director

Notes:
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 192-36 (COR)

The proposed legislation intends to add a new subsection § 10108(j) to Chapter 10, Article 1, Title 22 of the Guam Code Annotated (GCA) to provide the means by which agriculture or aquaculture businesses may be able to participate in the Guam Registered Apprenticeship Program (GRAP). Agriculture or aquaculture businesses may enter into cooperative agreements with eligible participating businesses and engage in cost sharing arrangements to cover 50% of eligible costs to be borne by the agriculture or aquaculture businesses for apprentices under the GRAP. The GRAP tax credit shall apply to 100% of the eligible costs borne by the participating businesses provided that such eligible costs do not exceed 50% of the agriculture or aquaculture businesses' eligible costs. The GRAP tax credit authorized under this subsection shall not be transferred or sold by the participating businesses to any other businesses. The cooperative agreement under this subsection is subject to the approval of the Director of the Department of Labor (DOL) and shall be registered with DOL. DOL may work with the Department of Agriculture and the Guam Economic Development Authority on a public outreach relative to this measure.

The anticipated fiscal impact of this proposed legislation includes, but is not limited to, administrative expenses as it pertains to the addition of agriculture or aquaculture businesses in the GRAP. However, these administrative expenses are offset by the processing fee (2.5% of the approved tax credit) DOL is authorized to collect pursuant to § 10107(d) of Chapter 10, Article 1, Title 22 GCA. As with other tax credits, the fiscal impact of the GRAP tax credit is not necessarily a reduction of revenues, rather a reduction of cash available to be spent. Based on the FY 2020 GRAP Tax Credit Summary Report from DOL, there were eleven (11) participating businesses with approved tax credits totaling \$4,579,264.33. These figures were based on approvals reported between October 1, 2019 through September 30, 2020. As it pertains to this measure, the agriculture and aquaculture industries on Guam are relatively small, as noted in the proposed legislation's Legislative Findings and Intent. According to the Department of Agriculture, there are currently five hundred twenty (520) registered farmers and thirteen (13) registered aquaculture farmers. However, absent pertinent information from the respective reporting authorities to include (a) number of registered agriculture and aquaculture businesses interested in participating in the GRAP; (b) the number of eligible businesses willing to enter into cooperative agreements with agriculture or aquaculture businesses for the purposes of the GRAP; and (c) the number of apprentices to be hired and trained by these agriculture or aquaculture businesses and the resulting eligible costs to be incurred, the Bureau is unable to determine a reasonable estimation of prospective additional GRAP tax credits. As such, the Bureau is unable to determine the approximate fiscal impact of this proposed legislation at this time.