

I Mina'trentai Siette Na Lihelaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | FISCAL NOTES | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | NOTES |
|--------------------|---|---|---------------------|---------------|--|--------------------------------|---------------------|-----------------------------|-------|
| 107-37 (LS) | Joe S. San Agustin Roy A. B. Quinata Tina Rose Muña Barnes Dwayne T. D. San Nicolas William A. Parkinson Amanda L. Shelton | AN ACT TO APPROPRIATE FIVE HUNDRED THOUSAND DOLLARS (\$500,000) FROM THE GENERAL FUND TO THE GUAM HOUSING CORPORATION RELATIVE TO FUNDING AND MAINTAINING THE GUAM HOUSING CORPORATION-RURAL HOUSING SERVICE ESCROW SAVINGS ACCOUNT FOR AFFORDABLE HOUSING. | 5/1/23 3:57 p.m. | 5/3/23 | Committee on General Government Operations and Appropriations | Request: 5/3/23 5/15/23 | | | |



COMMITTEE ON RULES

Senator Chris Barnett, Chairperson
I Mina'trentai Siette Na Liheslaturan Guåhan
37th Guam Legislature

May 15, 2023

To: **Joaquin P. Taitague**
Substitute Clerk of the Legislature

From: **Senator Chris Barnett** 
Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 107-37 (LS)**

Håfa Adai yan Biba Guåhan!

Find the attached, Fiscal Note for the following bill:

Bill No. 107-37 (LS).

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly forward the same to Management Information Services (MIS) for posting on our website.



Bureau of Budget & Management Research
Fiscal Note of Bill No. 107-37 (LS)

An act to appropriate Five Hundred Thousand Dollars (\$500,000) from the General Fund to the Guam Housing Corporation relative to funding and maintaining the Guam Housing Corporation-Rural Housing Service Escrow Savings Account for Affordable Housing.

Department/Agency Appropriation Information

| | |
|---|---|
| Dept./Agency Affected: Guam Housing Corporation (GHC) | Dept./Agency Head: Edith C. Pangelinan, President |
| Department's anticipated revenues, less interest expense to date: | \$4,103,287 |
| Department's appropriation(s) to date: | \$0 |
| Total Department/Agency revenues, less interest expense to date: | \$4,103,287 |

Fund Source Information of Proposed Appropriation

| | General Fund: | (Specify Special Fund): | Total: |
|---------------------------------|--------------------|-------------------------|--------------------|
| FY 2022 Unreserved Fund Balance | \$0 | \$0 | \$0 |
| FY 2023 Adopted Revenues | \$713,256,152 | \$0 | \$713,256,152 |
| FY 2023 Appro. (P.L. 36-107) | (\$713,256,152) | \$0 | (\$713,256,152) |
| Sub-total: | \$0 | \$0 | \$0 |
| Less appropriation in Bill | (\$500,000) | \$0 | (\$500,000) |
| Total: | (\$500,000) | \$0 | (\$500,000) |

Estimated Fiscal Impact of Bill

| | One Full Fiscal Year | For Remainder of FY 2023 (if applicable) | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-----------------|----------------------|--|------------|------------|------------|------------|
| General Fund 1/ | \$0 | \$500,000 | \$0 | \$0 | \$0 | \$0 |
| Special Fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total 1/ | \$0 | \$500,000 | \$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 1/ / / Yes / / No
If no, what is the additional amount required? \$ _____ /X/ N/A 1/
- 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
/ / Requested agency comments not received by due date / / Other:

Analyst: Louis Schmelzinger Date: 05/08/23 Director: Lester L. Carlson, Jr. Date: MAY 15 2023
 Louis Schmelzinger B&MA I 05.08 Lester L. Carlson, Jr., Director

Footnote(s):

1/ See attached comments.

Bureau of Budget and Management Research
Comments on Bill No. 107-37 (LS)

In its current form, the subject legislation appropriates Five Hundred Thousand Dollars (\$500,000) from the General Fund (GF) to the Guam Housing Corporation (GHC) for the purpose of funding and maintaining the Guam Housing Corporation-Rural Housing Service Escrow Savings Account for Affordable Housing for affordable housing opportunities via a Memorandum of Understanding with the U.S. Department of Agriculture - Rural Housing Services.

The GHC has indicated while the initial minimum deposit of Five Hundred Thousand Dollars (\$500,000) is identified in Bill No. 107-37 (LS), the GHC has concerns with regard to the continuous funding that will be required to “maintain” the account should the escrow savings account fall below \$500,000.

Furthermore, the GHC recommends that the Bill No. 107-37(LS) include language providing for a continuing appropriation from the GF should the escrow savings account fall below \$500,000 to ensure that the GHC would not be required to “maintain” the account with GHC funds.

The Bureau notes that all FY2023 GF adopted revenues have been fully-appropriated per P.L. 36-107 (FY2023 Budget Act), as indicated on the Fiscal Note. Furthermore, the Bureau notes that the proposed legislation does not provide language to offset the proposed appropriation with language to de-appropriate funds from another GF source. This would result in a variance of \$500K between GF revenues and appropriations.