

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
179-37 (COR)	Joe S. San Agustin Roy A. B. Quinata Dwayne T.D. San Nicolas William A. Parkinson	AN ACT TO AMEND THE CHAMORRO LAND TRUST LEASE AGREEMENT WITH THE GUAM INTERNATIONAL COUNTRY CLUB, INCORPORATED.	9/29/23 10:04 a.m.	10/2/23	Committee on Health, Land, Justice, and Culture	Request: 10/2/23 10/16/23			



COMMITTEE ON RULES

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

October 16, 2023

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

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

Subject: **Fiscal Note for Bill No. 179-37 (COR)**

Håfa Adai yan Biba Guahan!

Find the attached, Fiscal Note for the following bill:

Bill No. 179-37 (COR).

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. 179-37 (COR)**

AN ACT TO AMEND THE CHAMORRO LAND TRUST LEASE AGREEMENT WITH THE GUAM INTERNATIONAL COUNTRY CLUB, INCORPORATED.

Department/Agency Appropriation Information	
Dept./Agency Affected: CHamoru Land Trust Commission	Dept./Agency Head: Alice Taijeron, Administrative Director
Department's General Fund (GF) appropriation(s) to date:	\$717,115
Department's Other Fund: CHamoru Land Trust Operations Fund (\$758,058) CLTC Survey and Infrastructure Fund (\$34,898)	\$792,943
Total Department/Agency Appropriation(s) to date:	\$1,510,058

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund:	Total:
FY 2022 Unreserved Fund Balance		\$0	\$0
FY 2023 Adopted Revenues	\$0	\$0	\$0
FY 2023 Appro. (P.L. 36-107 thru 36-XX)	\$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 2024 (if applicable)	FY 2025	FY 2026	FY 2027	FY 2028
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund 1/	\$0	1/	\$0	\$0	\$0	\$0
Total	\$0	1/	\$0	\$0	\$0	\$0

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|---|------------------|---------|--------|
| 1. Does the bill contain "revenue generating" provisions?
If Yes, see attachment | | /X/ Yes | // No |
| 2. Is amount appropriated adequate to fund the intent of the appropriation?
If no, what is the additional amount required? \$ _____ | /X/ N/A | // Yes | // No |
| 3. Does the Bill establish a new program/agency?
If yes, will the program duplicate existing programs/agencies?
Is there a federal mandate to establish the program/agency? | /X/ N/A | // 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/ Requested agency comments not received by due date | | // Yes | /X/ No |
| | / / Other: _____ | | |

Analyst:  Date: 10/13/23	Director:  Date: OCT 13 2023
Anthony Oullugua, BMA	Lester L. Carlson, Jr., Director

1/ CLTC Endowment Fund. See attached comments.

Bureau of Budget & Management Research
Comments on Bill No. 179-37 (COR)

Bill 179-37 (COR) is an act to amend the Chamorro Land Trust Lease Agreement with the Guam International Country Club, Incorporated (GICC). The intent is to accelerate the payment of rent and to increase the escalation rate provided that the lease is amended to incorporate an accelerated rent schedule, an increased escalation rate for the purpose of determining the present value of all future rent, an extension of the lease term, and the storage and transmission of renewable solar power.

Bill 179-37 (COR) would further authorize the Chamorro Land Trust Commission (CLTC) to make the following amendments to the subject lease agreement by permitting commercial uses of the property to include the generation, storage and transmission of renewable solar power, the current rental escalation rate of 10% every five years shall be increased to an escalation rate of 12% every five years, and in the event the property is used for the generation, storage and transmission of renewable solar power, the lessee shall pay all rents due under the lease in advance at its net present value, and in the event the property is used for the generation, storage and transmission of renewable solar power, the lessee shall continue to pay monthly rent in accordance with the lease agreement.

Bill 179-37 (COR) intends to ratify the lease agreement by and between the Chamorro Land Trust and Guam International Country Club, Inc. dated April 1, 2014 and makes reference to Bill 178-37, that should both proposed bills lapse into Public Law, the lease agreement by and between the CLTC and Guam International Country Club, Inc., all accelerated rent received shall be transferred to the CLTC Endowment Fund and become part of the fund's corpus.

It should be noted that the Bureau had sought input on the proposed Bill No. 179-37 from the CLTC on 10/3/2023 and a follow up request on 10/6/2023, but has not received any official comments as of the date of this fiscal note. Absent any information from the CLTC, such as the amount of rental income GICC pays monthly, when GICC intends to commercially use the property to include the generation, storage, and transmission of renewable solar power, the Bureau is unable to determine an estimated impact at this time.