

*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
186-37 (LS)	Sabina Flores Perez Chris Barnett	AN ACT TO <i>AMEND</i> § 6505, REPEAL AND REENACT § 6506, AND <i>AMEND</i> § 6507 ALL OF ARTICLES, CHAPTER 6, TITLE 11, RELATIVETO UPDATING THE USE OF TOBACCO FEES AND PENALTIES TO PROTECT GUAM YOUTH FROM THE HARMS OF NICOTINE AND TOBACCO USE.	10/13/23 3:58 p.m.	10/17/23	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning	Request: 10/17/23  11/1/23			



## COMMITTEE ON RULES

Senator Chris Barnett, Chairperson  
*I Mina'trentai Siette Na Liheslaturan Guåhan*  
37<sup>th</sup> Guam Legislature

November 1, 2023

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

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

**Subject:** **Fiscal Note for Bill No. 186-37 (LS)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 186-37 (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. 186-37 (LS)**

**AN ACT TO AMEND § 6505, REPEAL AND REENACT § 6506; AND AMEND § 6507 ALL OF ARTICLE 5, CHAPTER 6, TITLE 11, RELATIVE TO UPDATING THE USE OF TOBACCO FEES AND PENALTIES TO PROTECT GUAM YOUTH FROM THE HARMS OF NICOTINE AND TOBACCO USE.**

**Department/Agency Appropriation Information**

<b>Dept./Agency Affected:</b> Department of Revenue and Taxation (DRT)	<b>Dept./Agency Head:</b> Dafne Mansapit-Shimizu, Director
<b>Department's General Fund (GF) appropriation(s) to date:</b>	\$14,532,027
<b>Department's Other Fund appropriation(s) to date:</b> Banking and Insurance Enforcement Fund (\$395,271); Better Public Service Fund (\$1,315,540); Tax Collection Enhancement Fund (\$1,046,640)	\$2,757,451
<b>Total Department/Agency Appropriation(s) to date:</b>	\$17,289,478

**Fund Source Information of Proposed Appropriation**

	General Fund:	Special Fund:	Total:
FY 2023 Unreserved Fund Balance	\$0	\$0	\$0
FY 2024 Adopted Revenues	\$0	\$0	\$0
FY 2024 Appro. (P.L. 37-42)	\$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 2024 (if applicable)	FY 2025	FY 2026	FY 2027	FY 2028
<b>General Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Special Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	\$0	\$0	\$0	\$0	\$0

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

<b>Analyst:</b> <u>Raymond Rieta, BMA III</u>	<b>Date:</b> <u>10/23/23</u>	<b>Director:</b> <u>Lester L. Carlson, Jr., Director</u>	<b>Date:</b> <u>OCT 31 2023</u>
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**Notes:**  
1/ See Additional Comments.

**Bureau of Budget & Management Research**  
**Comments on Bill No. 186-37 (LS)**

Bill No. 186-37 proposes to redirect monies collected from fees and penalties to fund tobacco and nicotine education and prevention programs to protect Guam's youth from the harmful effects of tobacco and nicotine. Under the current law, all fines and fees assessed and collected under Article 5 of Chapter 6, Title 11, Guam Code Annotated (GCA) shall be distributed and deposited in the following manner: 30% into Department of Parks and Recreation (DPR) Off-island Sports Fund, 20% to the Health and Human Services (HHS) fund, and 50% to the Youth Tobacco Education and Prevention Fund (YTEPF). The subject Bill proposes to amend the distribution of these funds in the following manner: **20%** to the Better Public Service Fund (BPSF) for the Department of Revenue and Taxation's (DRT) Compliance Branch, **30%** to the HHS, and **50%** to the YTEPF. The Bill further establishes the YTEPF to be administered by the director of the Guam Behavioral Health and Wellness Center (GBHWC) with 100% of the funds to be used by GBHWC's Prevention and Training Branch (PEACE) for tobacco and drug compliance monitoring, prevention and education programs.

§ 6202 of Chapter 6, Title 11, GCA references tobacco license fees while § 6401 of the same chapter and title references fines for violations for the license fees, however, absent comment and information from the DRT as to how much of these fees and penalties are to be earmarked for the YTEPF the Bureau is unable to ascertain the fiscal impact of this proposed legislation.