

*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
308-37 (COR)	Therese M. Terlaje	AN ACT TO AUTHORIZE THE EXTENSION OF THE GAS TAX RELIEF ACT FOR FISCAL YEAR 2025, ENDING SEPTEMBER 30, 2025.	5/22/24 8:00 a.m.	5/24/24	Committee on General Government Operations and Appropriations	Request:5/24/24 5/29/24			



## COMMITTEE ON RULES

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

May 29, 2024

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

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

**Subject:** **Fiscal Note for Bill No. 308-37 (COR)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 308-37 (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. 308-37 (COR)**

**AN ACT TO AUTHORIZE THE EXTENSION OF THE GAS TAX RELIEF ACT FOR FISCAL YEAR 2025, ENDING SEPTEMBER 30, 2025.**

**Department/Agency Appropriation Information**

Dept./Agency Affected: Office of the Governor of Guam		Dept./Agency Head: Honorable Lourdes A. Leon Guerrero, Governor of Guam	
Department's General Fund (GF) appropriation(s) to date:		\$5,851,424	
Department's Other Fund (Indirect Cost Fund) appropriation(s) to date:		\$293,825	
Total Department/Agency Appropriation(s) to date:		\$6,145,249	

**Fund Source Information of Proposed Appropriation**

	General Fund:	(Specify 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
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	1/	1/	\$0	\$0	\$0	\$0
Special Funds	1/	1/	\$0	\$0	\$0	\$0
Total	1/	1/	\$0	\$0	\$0	\$0

- |   |                        |                               |                                |
|---|------------------------|-------------------------------|--------------------------------|
| 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<br>/ 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? If no, indicate reason:<br>/ / Requested agency comments not received by due date                                   | / / Other:             | / X / Yes                     | / / No                         |

Analyst: <u>AR</u> Abigail R. Ofeciar, BMA Supervisor	Date: <u>5/29/2024</u>	Director: <u>[Signature]</u> Lester L. Carlson, Jr., Director	Date: <u>MAY 29 2024</u>
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Notes:  
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 308-37 (COR)

The proposed legislation intends to authorize the extension of the *Gas Tax Relief Act*, allowing for the levy of all excise taxes, automotive surcharges, and mass transit automotive surcharges on liquid fuel, except for liquid fuel used for commercial aviation purposes, to be waived for Fiscal Year 2025, ending on September 30, 2025. The proposed legislation also appropriates \$7,823,735 to the Guam Highway Fund from Fiscal Year 2024 General Fund in excess of the adopted revenue levels. The proposed legislation also includes a requirement for a written declaration from entities engaged in the wholesale or retail of automotive fuel products that the relief or reduction from the levy of taxes and surcharges contained in this Bill were not collected from the consumers. The written declaration shall also include the number of gallons of liquid fuel sold per month that were exempt from the liquid fuel tax pursuant to this Bill.

In the fiscal note prepared for Bill No. 1 (5-S), subsequently signed into law as Public Law 37-58, the Bureau estimated the additional funding requirement for the then proposed 9-month extension of the *Gas Tax Relief Act* at \$7,823,735, based on the estimated funding requirement of \$5,215,823 for one hundred eighty calendar days (six months) in prior extensions of the *Gas Tax Relief Act*. Public Law 37-58, extended the relief for the remainder of Fiscal Year 2024 and appropriated \$7,823,735 to the Guam Highway Fund from Fiscal Year 2024 General Fund in excess of the adopted revenue levels. For this proposed legislation, the Bureau estimates the funding requirement for the proposed 12-month extension at \$10,431,646 following the same assumptions applied in prior extensions of the *Gas Tax Relief Act*.

Based on the Consolidated Revenue and Expenditure Report as of April 30, 2024, the net unobligated projected General Fund revenue for FY 2024 is \$46,156,732. However, the Bureau also notes that there are several competing legislative measures seeking to utilize the Fiscal Year 2024 General Fund revenues collected in excess of adopted revenue levels as shown in the table below. The total of these competing measures amounts to \$75,508,172.50, or \$29,351,440.50 more than the cited net unobligated projected General Fund revenue for FY 2024.

<b>April 2024 CRER Net Unobligated Projected FY24 General Fund Revenue</b>	<b>\$ 46,156,732.00</b>
Bill No. 221-37 (GCC)	\$ 350,000.00
Bill No. 225-37 (GMHA)	\$ 5,000,000.00
Bill No. 231-37 (DCA)	\$ 1,500,000.00
Bill No. 251-37 (GPD)	\$ 11,300,000.00
Bill No. 264-37 (DPR)	\$ 5,000,000.00
Bill No. 268-37 (OVA)	\$ 340,000.00
Bill No. 277-37 (GPA - April, May, June 2024)	\$ 15,828,000.00
Bill No. 280-37 (GEC)	\$ 400,000.00
Bill No. 284-37 (GCC)	\$ 966,925.00
Bill No. 285-37 (OVA)	\$ 1,000,000.00
Bill No. 296-37 (GMHA & DOA)	\$ 1,563,601.50
Bill No. 304-37 (GWA)	\$ 5,000,000.00
Bill No. 308-37 (GHF) - Subject Bill	\$ 10,431,646.00
Bill No. 309-37 (GHC)	\$ 1,000,000.00
Bill No. 310-37 (GPA - July, August, September 2024)	\$ 15,828,000.00
<b>Total Appropriations from Competing Measures</b>	<b>\$ 75,508,172.50</b>
<b>Variance</b>	<b>\$ (29,351,440.50)</b>

The table above does not include vetoed Bill No. 234-37 (COR), which seeks to appropriate \$15,000,000 for the DOC Modernization Act of 2021, also from the same funding source. Should the veto be overridden, the variance above will increase by \$15,000,000. As such, the proposed appropriation in Bill No. 308-37 (COR) will likely be dependent on the legislative action taken on the measures introduced that are seeking appropriations from the same funding source.