

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
322-37 (LS)	Sabina Flores Perez Felo T. Taitague Joanne M. Brown Therese M. Terlaje Chris Barnett	AN ACT TO APPROPRIATE THE SUM OF FIFTEEN MILLION DOLLARS (\$15,000,000) TO THE GUAM WATERWORKS AUTHORITY FROM THE UNAPPROPRIATED AND UNENCUMBERED EXCESS FY2024 GENERAL FUND REVENUES FOR THE DESIGN AND CONSTRUCTION OF WASTEWATER INFRASTRUCTURE IN PARENTAL AND DECEDENT SUBDIVISIONS OVER THE NORTHERN GUAM LENS AQUIFER.	7/5/24 1:14 p.m.	7/10/24	Committee on General Government Operations and Appropriations	Request: 7/10/24 7/18/24			



COMMITTEE ON RULES

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

July 18, 2024

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

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

Subject: **Fiscal Note for Bill No. 322-37 (LS)**

Håfa Adai yan Biba Guåhan!

Find the attached, Fiscal Note for the following bill:

Bill No. 322-37 (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. 322-37 (LS)**

AN ACT TO APPROPRIATE THE SUM OF FIFTEEN MILLION DOLLARS (\$15,000,000) TO THE GUAM WATERWORKS AUTHORITY FROM THE UNAPPROPRIATED AND UNENCUMBERED EXCESS FY2024 GENERAL FUND REVENUES FOR THE DESIGN AND CONSTRUCTION OF WASTEWATER INFRASTRUCTURE IN PARENTAL AND DECEDENT SUBDIVISIONS OVER THE NORTHERN GUAM LENS AQUIFER.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Waterworks Authority	Dept./Agency Head: Miguel C. Bordallo, P.E., GM
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund (Specify) appropriation(s) to date:	\$0
Total Department/Agency Appropriation(s) to date:	\$0

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 Approx. (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	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

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|---|-----------|-------------------------------|----------------------------------|
| 1. Does the bill contain "revenue generating" provisions?
If Yes, see attachment | | / / Yes | / X / 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
/ / Yes
/ / Yes | / X / No
/ X / No
/ 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:
/ / Requested agency comments not received by due date: | / / Other | / X / Yes | / / No |

Analyst:  Raymond Y. Rieta, BMA IV	Date: 7/17/24	Director:  Lester L. Carlson, Jr., Director	Date: JUL 18 2024
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Notes:
1/: See additional Comments.

**Bureau of Budget & Management Research
Comments on Bill No. 322-37 (LS)**

Bill No. 322-37 is an act to appropriate \$15,000,000 to the Guam Waterworks Authority (GWA) from the unappropriated and unencumbered excess FY2024 General Fund revenues for the design and construction of wastewater infrastructure in parental and decedent subdivisions over the northern Guam lens aquifer. Based on fiscal comments from the GWA, the estimated cost impacts to the authority relative to the proposed Bill is as follows:

- One-time administrative costs to implement the CIPs (Capital Improvement Projects) at 2% to 4% of CIP amount. For \$15M, that amounts to \$300,000 to \$600,000.
- On-going O&M (Operations & Maintenance) costs for installed sewer systems projected at the following levels (\$/LF (Linear Feet) of sewer installed) for the next 5-years.

	FY25	FY26	FY27	FY28	FY29
Projected Wastewater O&M Cost/LF ^{1/}	\$7.86	\$8.40	\$8.77	\$9.15	\$9.71
^{1/} In Millions					

Additionally, per the June 2024 Consolidated Revenue and Expenditure Report (CRER), the projected unobligated FY2024 GF Revenue amounts to \$36,472,524. However, the Bureau notes that there are several competing legislative measures seeking to utilize the FY2024 GF net unobligated revenues as shown in the table below. The subtotal of these competing measures amounts to \$80,200,660 or \$51,193,937 more than the cited projected unobligated GF revenues for FY2024.

June 2024 CRER Net Unobligated Projected FY24 GF Revenue (A)	\$36,472,524.00
LESS: Recently enacted Public Laws	
Bill No. 264-37 (DPR)	\$5,000,000.00
Bill No. 296-37 (GMHA/DOA)	\$2,465,801.00
Subtotal (B)	\$7,465,801.00
Net April 2024 Unobligated Projected FY24 GF Revenue (C)	\$29,006,723.00
<u>Proposed Legislative Measures</u>	
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. 234-37 (DOC)	\$15,000,000.00
Bill No. 251-37 (GPD)	\$11,300,000.00
Bill No. 284-37 (GCC)	\$966,925.00
Bill No. 304-37 (GWA)	\$5,000,000.00
Bill No. 308-37 (Gas Tax Relief)	\$7,823,735.00
Bill No. 309-37 (GHC)	\$1,000,000.00
Bill No. 315-37 (CLTC)	\$9,000,000.00
Bill No. 316-37 (DISID)	\$50,000.00
Bill No. 318-37 (Bureau of Women's Affairs)	\$400,000.00
Bill No. 321-37 (GDOE)	\$7,000,000.00
Bill No. 322-37 (GWA) ^{1/}	\$15,000,000.00
Bill No. 324-37 (Guam Academy Charter School Council)	\$510,000.00
Bill No. 325-37 (CLTC)	\$300,000.00
Competing Measures Total Appropriation (D)	\$80,200,660.00
Variance (C-D)	(\$51,193,937.00)
^{1/} Proposed Legislation	

The proposed appropriation of \$15,000,000 in Bill No. 322-37 will likely be dependent on the legislative actions taken on the measures introduced that are seeking to tap into the same funding source.