

I Mina'trentai Sietta Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
364-37 (COR)	Frank Blas, Jr. Joanne M. Brown Telo T. Taitague	AN ACT TO AMEND SECTION 1908 OF CHAPTER 19 TITLE 1 GUAM CODE ANNOTATED RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT AND AGENCY OF THE GOVERNMENT OF GUAM.	10/17/24 2:36 p.m.	10/18/24	Committee on Infrastructure, Economic Development, Simon Sanchez High School, Disability Services, Self-Determination and Historic Preservation, Housing, Public Accountability, and the Guam Buildup	Request: 10/18/24 10/24/24			Referred Version 10/18/24



COMMITTEE ON RULES

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

October 24, 2024

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

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

Subject: **Fiscal Note for Bill No. 364-37 (COR)**

Håfa Adai yan Biba Guåhan!

Find the attached, Fiscal Note for the following bill:

Bill No. 364-37 (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. 364-37 (COR)**

AN ACT TO AMEND SECTION 1908 OF CHAPTER 1 TITLE 1 GUAM CODE ANNOTATED RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT AND AGENCY OF THE GOVERNMENT OF GUAM.

Department/Agency Appropriation Information	
Dept./Agency Affected: Office of Public Accountability	Dept./Agency Head: Benjamin J.F. Cruz
Department's General Fund (GF) appropriation(s) to date:	\$2,194,843
Department's Other Fund appropriation(s) to date:	\$0
Total Department/Agency Appropriation(s) to date:	\$2,194,843

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2024 Unreserved Fund Balance	\$0	\$0	\$0
FY 2025 Adopted Revenues	\$0	\$0	\$0
FY 2025 Appro. (P.L. 37-125)	\$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 2025 (if applicable)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$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 | / 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: 10/24/2024	Director:  Date: OCT 24 2024
Abigail R. Ofeciar, BMA Supervisor	Lester L. Carlson, Jr., Director

Notes:
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 364-37 (COR)

The proposed legislation intends to amend §1908 of Chapter 19, Title 1 of the Guam Code Annotated relative to the duties of the Public Auditor regarding audits on non-profit and non-governmental organizations that receive funding from the Government of Guam. As stated in the Legislative Findings and Intent of the Bill, even though there are appropriations passed through from the government entities to these non-profit and non-governmental organizations, the current laws are not specific if audits should be conducted with these types of organizations. As a result, it is this proposed legislation's intent to provide the Public Auditor with the authority and discretion to conduct audits of these types of organizations that receive funding from the departments or agencies of the Government of Guam.

The proposed legislation does not contain revenue generating provisions, nor does it appropriate any additional funding source to the OPA. However, the proposed legislation does impose additional mandate to the OPA as it seeks to authorize, albeit at the discretion of the Public Auditor, the audit of non-profit and non-governmental organizations "that have received cumulatively in excess of Two Hundred Thousand Dollars (\$200,000) in one or more Fiscal Years from any department or agency of the government of Guam".

In the General Appropriations Act of 2025, the amount of \$700,000 is appropriated from the General Fund to the Department of Administration for the Government of Guam's FY2024 Basic Financial Statements and Single Audit Report. The Public Auditor is the stated administrator of such funds who also oversees the annual audit. Given the administrative nature of the proposed legislation, the Bureau does not anticipate a direct fiscal impact to the Government of Guam. However, the Bureau is unable to determine at this time if such annual appropriation for the government-wide audit is sufficient to include the additional costs, if any, of conducting audits of affected non-profit and non-governmental organizations should this proposed legislation becomes law.

The Bureau has not received comments from the OPA on the potential fiscal impact of this proposed legislation as of the time this fiscal note is prepared.