

I Mina'trentai Siette Na Liheslaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | FISCAL NOTES | NOTES |
|-------------|--------------------------------------|--|----------------------|---------------|--|---------------------|-----------------------------|-----------------------------|-------|
| 55-37 (COR) | Sabina Flores Perez Chris Barnett | AN ACT TO AMEND § 28112(c) OF CHAPTER 28, TITLE 11 GUAM CODE ANNOTATED RELATIVE TO IMPROVING THE COLLECTION OF THE AUTOMATIC APPROPRIATION OF USE TAXES BY THE GUAM ENVIRONMENTAL PROTECTION AGENCY'S "GUAM ENVIRONMENTAL TRUST FUND". | 2/24/23 8:47 a.m. | 2/27/23 | Committee on General Government Operations and Appropriations | | | Request: 2/27/23 4/13/23 | |



COMMITTEE ON RULES

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

April 13, 2023

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

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

Subject: **Fiscal Note for Bill No. 55-37 (COR)**

Håfa Adai yan Biba Guåhan!

Find the attached, Fiscal Note for the following bill:

Bill No. 55-37 (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. 55-37 (COR)**

AN ACT TO *AMEND* § 28112(c) OF CHAPTER 28, TITLE 11 GUAM CODE ANNOTATED RELATIVE TO IMPROVING THE COLLECTION OF THE AUTOMATIC APPROPRIATION OF USE TAXES BY THE GUAM ENVIRONMENTAL PROTECTION AGENCY'S "GUAM ENVIRONMENTAL TRUST FUND".

Department/Agency Appropriation Information

| | |
|--|--|
| Dept./Agency Affected: Guam Environmental Protection Agency | Dept./Agency Head: Walter Leon Guerrero, Administrator |
| Department's General Fund (GF) appropriation(s) to date: | \$504,173 |
| Department's Other Fund appropriation(s) to date: Closure, Monitoring, and Opening of the Island's Landfills (\$202,992); Beach Monitoring (\$46,903); Recycling Revolving Fund (\$2,776,824); 2% General Reserve Fund (\$470,574) | \$3,497,293 |
| Total Department/Agency Appropriation(s) to date: | \$4,001,466 |

Fund Source Information of Proposed Appropriation

| | General Fund: | Recycling Revolving Fund I/ | Total: |
|---------------------------------|---------------|-----------------------------|----------|
| FY 2021 Unreserved Fund Balance | \$0 | \$0 | \$0 |
| FY 2022 Adopted Revenues | \$0 | 0 | 0 |
| FY 2022 Appro. (P.L. 36-54) | \$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 2023 (if applicable) | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|-----------------------------|----------------------|--|-----------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Recycling Revolving Fund I/ | 1/ | 1/ | 1/ | \$0 | \$0 | \$0 |
| Total | 1/ | 1/ | 1/ | \$0 | \$0 | \$0 |

- Does the bill contain "revenue generating" provisions? // Yes /X/ No
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? // N/A // Yes // No
If no, what is the additional amount required? \$ _____ /X/ N/A
- Does the Bill establish a new program/agency? // Yes /X/ No
If yes, will the program duplicate existing programs/agencies? /X/ N/A // Yes // No
Is there a federal mandate to establish the program/agency? // Yes /X/ No
- Will the enactment of this Bill require new physical facilities? // Yes /X/ No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes // No
/X/ Requested agency comments not received by due date: GEPA // Other: _____

Analyst: Bernice Torres Date: 4/12/23 Director: Lester L. Carlson, Jr., Director Date: APR 12 2023

Notes:
1/ See attached comments.

Bureau of Budget & Management Research
Comments on Bill No. 55-37 (COR)

Bill No. 55-37 (COR) is an act to amend §28112(c) of Chapter 28, Title 11, Guam Code Annotated relative to improving the collection of the automatic appropriation of use taxes by the Guam Environmental Protection Agency's (GEPA's) "Guam Environmental Trust Fund".

The proposed legislation intends to seek additional funding for GEPA from Use Taxes to increase regulatory capacity in response to regulatory demands, to cover costs associated with preserving Guam's natural resources.

Section 2 of Bill No. 55-37 (COR) will amend § 28112(c) of Chapter 28, Title 11 Guam Code Annotated relative to the continuing appropriation to GEPA of 20% of the total Use Tax collected in the previous fiscal year to the GEPA Environmental Cleanup Fund to cover costs associated with preserving Guam's natural resources.

The amendment will make such 20% of the total Use Tax collected instead be continually appropriated to the Guam Environmental Trust Fund and to be placed in the Guam Environmental Trust Fund within 20 days following the end of the month that the funds were collected.

The Bureau is aware of the following Use Tax revenue accounts: Business Importation Use Tax, Individual Importation Use Tax, Importation-Use Tax, and Local Purchases. Currently these tax revenues are collected and deposited into the General Fund to support the operations of the Government of Guam. In FY 2022, the total Use Tax collected was approximately \$5.1M. Should the above noted provisions be incorporated, 20% or an estimated \$1M would then be deposited and continually appropriated to the "Guam Environmental Trust Fund".

It should be noted that the Bureau has sought input on the proposed Bill 55-37 (COR) from the GEPA on February 28, 2023 and again on April 4, 2023. The Bureau have not received any official comments from GEPA as of the date of this fiscal note.