

*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
<b>61-37 (COR)</b>	Frank Blas Jr.	AN ACT TO APPROPRIATE FIFTEEN MILLION DOLLARS (\$15,000,000) FROM THE EXCESS GENERAL FUND REVENUES REPORTED IN THE JANUARY 2023 CONSOLIDATED REVENUE EXPENDITURE REPORT (CRER) TO THE DEPARTMENT OF ADMINISTRATION FOR AN EXTENSION OF THE LOCAL EMPLOYERS ASSISTANCE PROGRAM (LEAP) TO ASSIST BUSINESSES THAT CONTINUE TO STRUGGLE WITH THE DEVASTATING ECONOMIC IMPACT BROUGHT ON BY THE COVID-19 PANDEMIC AND COMPOUNDED BY INFLATION.	3/1/23 8:43 a.m.	3/1/23	Committee on General Government Operations and Appropriations			Request: 3/1/23  3/14/23	



## COMMITTEE ON RULES

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

March 14, 2023

**To:** RennaeVanessa C. Meno  
Clerk of the Legislature

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

**Subject:** Fiscal Note for Bill No. 61-37 (COR)

---

*Håfa Adai yan Biba Guahan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 61-37 (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. 61-37 (COR)**

**AN ACT TO APPROPRIATE FIFTEEN MILLION DOLLARS (\$15,000,000) FROM THE EXCESS GENERAL FUND REVENUES REPORTED IN THE JANUARY 2023 CONSOLIDATED REVENUE EXPENDITURE REPORT (CRER) TO THE DEPARTMENT OF ADMINISTRATION FOR AN EXTENSION OF THE LOCAL EMPLOYERS ASSISTANCE PROGRAM (LEAP) TO ASSIST BUSINESSES THAT CONTINUE TO STRUGGLE WITH THE DEVASTATING ECONOMIC IMPACT BROUGHT ON BY THE COVID-19 PANDEMIC AND COMPOUNDED BY INFLATION.**

**Department/Agency Appropriation Information**

Dept./Agency Affected: Department of Administration	Dept./Agency Head: Edward Birn, Director
Department's General Fund (GF) appropriation(s) to date:	\$8,196,612
Department's Other Fund (Specify) appropriation(s) to date: Indirect Cost Fund & Limited Gaming Fund	\$772,067
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$8,968,679</b>

**Department/Agency Appropriation Information**

Dept./Agency Affected: Guam Economic Development Authority	Dept./Agency Head: Melanie Mendiola, CEO/Administrator
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund (Specify) appropriation(s) to date:	\$0
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$0</b>

**Fund Source Information of Proposed Appropriation**

	General Fund:	Special Fund:	Total:
FY 2022 Unreserved Fund Balance		\$0	\$0
FY 2023 Adopted Revenues	\$713,256,152	\$0	\$713,256,152
FY 2023 Appro. (P.L. 36-107)	(\$713,256,152)	\$0	(\$713,256,152)
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	(\$15,000,000)	\$0	(\$15,000,000)
<b>Total:</b>	<b>(\$15,000,000)</b>	<b>\$0</b>	<b>(\$15,000,000)</b>

**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	1/	1/	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>1/</b>	<b>1/</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- 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? / X/ 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? / / N/A / / Yes / X/ 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  
/ / Requested agency comments not received by due date / / Other:

Analyst: <u>Jason Baza</u>	Date: <u>3/13/23</u>	Director: <u>Lester L. Carlson, Jr.</u>	Date: <u>MAR 14 2023</u>
Jason Baza, BMA Supervisor		Lester L. Carlson, Jr., Director	

Notes:  
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 61-37 (COR)

The proposed legislation intends to appropriate \$15M to the Department of Administration (DOA) for the purpose of extending the benefits of the Local Employers' Assistance Program (LEAP). The proposed legislation cites the source of funding for the extension of LEAP to be excess General Fund revenues reported in the January 2023 Consolidated Revenue & Expenditure Report (CRER), and would be a direct appropriation from the General Fund without an adjustment to revenue levels.

The Bureau notes that the LEAP program has received two sources of funds to date: 1) a \$25M appropriation from the General Fund via P.L. 36-65, and 2) a \$37.56M allocation from the American Rescue Plan approved by the Governor, of which approximately \$36.39M has been paid out by DOA. As such, the combined total amount of benefits paid to date for the LEAP program amounts to approximately \$61.39M.

Per comments received from the Guam Economic Development Authority (GEDA), past assistance programs for small businesses and other data received by GEDA are currently being evaluated to determine the ideal parameters for a new round of small business assistance, in particular, relative to eligibility requirements and award maximums for eligible small businesses. The fiscal impact will be equal to the amount appropriated for the extension of LEAP benefits. Additionally per GEDA, the intent of the language proffered in the proposed legislation is unclear in regards to the parameters of the extension of LEAP, particularly in regards to reopening the application period for new applicants only, or providing additional funding to existing LEAP recipients.

Per comments received from DOA, the necessity of a further extension of the LEAP program is not understood, as DOA is not aware of any intrinsic evidence of the need for further support by Government. Further, the FY 2023 surplus/(deficit) is a moving number based on current financials.

Per the January 2023 CRER, the General Fund has collected approximately \$43.45M above adopted levels through January of FY 2023. However, the \$43.45M balance noted does not account for any Special Revenue Funds that may need transfers from the General Fund by the end of FY 2023.

The Bureau notes that there are several proposed legislative measures seeking to tap into the FY 2023 revenues collected in excess of adopted levels, namely: Bill No. 24-37 (\$16M), Bill No. 32-37 (\$30M), and Bill Nos. 59-37 / 61-37 / 75-37 (\$15.92M maximum between the three measures). The total amount of the competing measures combined is approximately \$61.92M, or \$18.45M more than the cited General Fund revenue collected in excess of adopted levels in FY 2023.