

*I Mina'trentai Siette Na Lihelaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
83-37 (LS)	Therese M. Terfaje Joe S. San Agustin	AN ACT TO APPROPRIATE TWENTY-SIX MILLION THREE HUNDRED EIGHT-ONE THOUSAND DOLLARS (\$26,381,000) FROM FISCAL YEAR 2022 GENERAL FUND REVENUES COLLECTED IN EXCESS OF THE ADOPTED LEVELS ENUMERATED IN PUBLIC LAW 36-54, AS AMENDED, TO THE GUAM POWER AUTHORITY FOR A FIVE (5)-MONTH EXTENSION TO THE PRUGRAMAN AYUDA PARA I TAOTAO-TA ENERGY CREDIT PROGRAM, RELATIVE TO PROVIDING CUSTOMERS WITH ANOTHER FIVE HUNDRED DOLLARS (\$500) CREDIT TOWARD THEIR ACCOUNT.	3/24/23 4:32 p.m.	3/27/23	Committee on General Government Operations and Appropriations			Request: 3/28/23  4/7/23	



## COMMITTEE ON RULES

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

April 7, 2023

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

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

**Subject:** **Fiscal Note for Bill No. 83-37 (LS)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 83-37 (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. 83-37 (LS)**

**AN ACT TO APPROPRIATE TWENTY-SIX MILLION THREE HUNDRED EIGHTY-ONE THOUSAND DOLLARS (\$26,381,000) FROM FISCAL YEAR 2022 GENERAL FUND REVENUES COLLECTED IN EXCESS OF THE ADOPTED LEVELS ENUMERATED IN PUBLIC LAW 36-54, AS AMENDED, TO THE GUAM POWER AUTHORITY FOR A FIVE (5)-MONTH EXTENSION TO THE PRUGRAMAN AYUDA PARA I TAOTAO-TA ENERGY CREDIT PROGRAM, RELATIVE TO PROVIDING CUSTOMERS WITH ANOTHER FIVE HUNDRED DOLLARS (\$500) CREDIT TOWARD THEIR ACCOUNT.**

Department/Agency Appropriation Information	
Dept./Agency Affected: <b>Guam Power Authority</b>	Dept./Agency Head: <b>John M. Benavente, P.E., General Manager</b>
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund 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:	(Specify Special Fund):	Total:
FY 2022 Unreserved Fund Balance (Net Unobligated Projected General Fund Revenue based on the CRER for period ending September 30, 2022)	\$47,526,990	\$0	\$47,526,990
FY 2023 Adopted Revenues	\$713,256,152	\$0	\$713,256,152
FY2023 Appro. (P.L. 36-107 / 119 / 123 / 124)	(\$745,202,975)	\$0	(\$745,202,975)
Sub-total:	\$15,580,167	\$0	\$15,580,167
Less appropriation in Bill	(\$26,381,000)	\$0	(\$26,381,000)
<b>Total:</b>	<b>(\$10,800,833)</b>	<b>\$0</b>	<b>(\$10,800,833)</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/	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	<b>\$0</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? / / N/A / / Yes / X / No  
 If no, what is the additional amount required? \$10,800,833 / / 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  
 / / Requested agency comments not received by due date / / Other:

Analyst:  Date: <u>4/6/23</u>	Director:  Date: <u>APR 07 2023</u>
Arthur R. Mariano, B&MA Supervisor	Lester L. Carlson, Jr., Director

Notes:  
 1/ See attached Comments

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 83-37 (LS)

In its current form, the subject legislation appropriates the sum of Twenty-six Million Three Hundred Eighty-one Thousand Dollars (\$26,381,000) from FY 2022 General Fund (GF) revenues in excess of the adopted levels in P.L. 36-54, as amended, to the Guam Power Authority for a five (5) month extension of the *Prugaman Ayuda Para I Taotao-ta* Energy Credit Program for the period of May 2023 to September 2023. As indicated above, the current balance of the proposed appropriation source (FY2022 GF revenues in excess of adopted levels in P.L. 36-54, as amended) is approximately \$15,580,167 and would be insufficient to cover the appropriation in Bill 83-37 (LS). The aforementioned \$15.58M balance factors in appropriations made in P.L. 36-119, P.L. 36-124 and P.L. 36-123 (first extension to the aforementioned Energy Credit Program) all of which were appropriated from the same fund source as the proposed legislation. The Bureau would like to note that the September 2022 Special Revenue Fund Report reflects a cumulative shortfall of \$6,311,480 which, historically, is covered by the GF at the end of the fiscal year.

The Guam Power Authority has indicated that Bill 83-37 (LS) does not pose a fiscal impact on the Authority and the Program in general “has provided welcome relief to our eligible ratepayers” (See attachment for details).

Per the Department of Administration (DOA), the FY 2022 Single Audit is in progress and not complete to date. DOA Director Edward Birn has indicated that the practice of appropriating revenues from a previous fiscal year results in expenditures in the year of disbursement not the year of appropriation and that a reported surplus of one year is a deficit of the following year. He also stated that the aforementioned practice will not be considered prudent by rating agencies and other reviewers of the Government of Guam’s financial statements alike.

Lastly, please note that there is a typographical error in the written dollar amount of the appropriation in the Bill's preamble which was corrected in the Bureau’s fiscal note.