

*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>89-37 (COR)</b>	Amanda L. Shelton Joe S. San Agustin Tina Rose Muña Barnes Roy A.B. Quinata William A. Parkinson Dwayne T.D. San Nicolas	AN ACT TO ADD A NEW CHAPTER 8A TO TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO ENSURING THE PROVISION OF COST OF LIVING ALLOWANCE (COLA) PAYMENTS FOR GOVERNMENT OF GUAM RETIREES INCLUDING A ONE HUNDRED DOLLAR (\$100) ANNUAL INCREASE OVER THE NEXT THREE (3) FISCAL YEARS.	3/31/23 4:21 p.m.	4/4/23	Committee on General Government Operations and Appropriations			Request: 4/4/23  4/13/23	



## COMMITTEE ON RULES

Senator Chris Barnett, Chairperson  
*I Mina'trentai Siette Na Liheslaturan Guåhan*  
37<sup>th</sup> 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. 89-37 (COR)**

---

*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 89-37 (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. 89-37 (COR)**

**AN ACT TO ADD A NEW CHAPTER 8A TO TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO ENSURING THE PROVISION OF COST OF LIVING ALLOWANCE (COLA) PAYMENTS FOR GOVERNMENT OF GUAM RETIREES INCLUDING A ONE HUNDRED DOLLAR (\$100) ANNUAL INCREASE OVER THE NEXT THREE (3) FISCAL YEARS.**

**Department/Agency Appropriation Information**

<b>Dept./Agency Affected: Government of Guam Retirement Fund (GGRF)</b>		<b>Dept./Agency Head: Paula M. Blas, Director</b>	
<b>Department's General Fund (GF) appropriation(s) to date:</b>		<b>\$41,235,458</b>	
<b>Department's Other Fund appropriation(s) to date:</b>		<b>\$0</b>	
<b>Total Department/Agency Appropriation(s) to date:</b>		<b>\$41,235,458</b>	

**Fund Source Information of Proposed Appropriation**

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

**Estimated Fiscal Impact of Bill**

	One Full Fiscal Year (FY2023)	For Remainder of FY 2023 (if applicable)	FY 2024	FY 2025	FY 2026	FY 2027
<b>General Fund 1/</b>	\$14,822,000	\$0	\$17,045,300	\$18,676,800	\$20,430,000	\$21,452,500
<b>Special Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total 1/</b>	\$14,822,000	\$0	\$17,045,300	\$18,676,800	\$20,430,000	\$21,452,500

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

<b>Analyst:</b> <u>Arthur R. Mariano, B&amp;MA Supervisor</u>	<b>Date:</b> <u>4/12/23</u>	<b>Director:</b> <u>Lester L. Carlson, Jr., Director</u>	<b>Date:</b> <u>APR 13 2023</u>
---	-----------------------------	--	---------------------------------

**Footnotes:**

1/: In its current form, the subject legislation proposes to increase the Cost of Living Allowance (COLA) for Government of Guam retirees or their survivors by One Hundred Dollars (\$100) annually from FY2024 through FY2026. Given the current level of \$2,200, the COLA payments will be as follows: FY2024 - \$2,300, FY2025 - \$2,400 and FY2026 - \$2,500. It should be noted that the COLA appropriation in the Governor's FY2024 Executive Budget Request is \$16,304,200 for payments of \$2,200 to approximately 7,411 retirees or survivors. Section 3 of the subject Bill appropriates \$741,100 from the General Fund (GF) in FY2024 which would cover the additional \$100 per retiree or survivor for that fiscal year. The overall funding requirement in FY2024 would be \$2.2M more than the FY2023 appropriation of \$14.8M. Also, assuming a 5% increase in retirees or survivors in FY2025 (371) and FY2026 (390), the projected cost impact would be an additional \$1.6M and \$1.7M per fiscal year, respectively. The projected impact of \$1M in FY2027 is due only to the 5% increase in retirees or survivors as the COLA amount would remain status quo with the FY2026 level of \$2,500. Lastly, relative to the aforementioned GF appropriation of \$741,100, that amount will have to be factored into the FY2024 Budget Bill as the appropriation would be from FY2024 GF revenues.