

*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
92-37 (COR)	Therese M. Terlaje	AN ACT TO ADD A NEW ARTICLE 9, TO DIVISION 1, CHAPTER 4, OF TITLE 26, GUAM ADMINISTRATIVE RULES AND REGULATIONS, RELATIVE TO THE ADOPTION OF RULES AND REGULATIONS GOVERNING BARBER AND BEAUTY SHOPS, COSMETOLOGY SCHOOLS, AND NAIL SALONS, ATTACHED HERETO AS EXHIBIT "A."	4/7/23 2:15 p.m.	4/10/23	Committee on Health, Land, Justice, and Culture			Request: 4/11/23 4/13/23	Exhibit A



## 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. 92-37 (COR)**

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*Håfa Adai yan Biba Guåhan!*

Find the attached, Fiscal Note for the following bill:

**Bill No. 92-37 (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. 92-37 (COR)**

**AN ACT TO ADD A NEW ARTICLE 9, TO DIVISION 1, CHAPTER 4, OF TITLE 26, GUAM ADMINISTRATIVE RULES AND REGULATIONS, RELATIVE TO THE ADOPTION OF RULES AND REGULATIONS GOVERNING BARBER AN BEAUTY SHOPS, COSMETOLOGY SCHOOLS, AND NAIL SALONS, ATTCHED HERETO AS EXHIBIT "A."**

**Department/Agency Appropriation Information**

<b>Dept./Agency Affected:</b> Department of Public Health and Social Services	<b>Dept./Agency Head:</b> Arthur U San Agustin, Director
<b>Department's General Fund (GF) appropriation(s) to date:</b>	\$51,932,346
<b>Department's Other Fund appropriation(s) to date:</b> Environmental Health Fund (\$1,302,065), Healthy Futures Fund (\$9,222,019), Health Professional Licensing Office Revolving Fund (\$300,975), Office of Vital Statistics Revolving Fund (\$230,705), DPHSS Sanitary Inspection Revolving Fund (\$158,878), Guam Cancer Registry (\$389,144)	<b>\$11,603,786</b>
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$63,536,132</b>

**Fund Source Information of Proposed Appropriation**

	General Fund:	(Specify Special Fund):	Total:
<b>FY 2022 Unreserved Fund Balance</b>		\$0	\$0
<b>FY 2023 Adopted Revenues</b>	\$0	\$0	\$0
<b>FY 2023 Appro. (P.L. 36-107 thru _____)</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	For Remainder of FY 2023 (if applicable)	FY 2024	FY 2025	FY 2026	FY 2027
<b>General Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Special Funds</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	\$0	\$0	\$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? / 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? / 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:

<b>Analyst:</b>  <b>Tyler Bautista, BMA I</b>	<b>Date:</b> 04/11/2023	<b>Director:</b>  <b>Lester L. Carlson, Jr., Director</b>	<b>Date:</b> APR 12 2023
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**Notes:**  
 1/ See attached comments.

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 92-37 (COR)**

The proposed legislation intends to adopt a *new* set of rules and regulations that governs barber and beauty shops, cosmetology schools, and nail salons. Per Section 1 of the proposed legislation, the Department of Public Health and Social Services (DPHSS) is mandated to regulate the sanitary operations of Cosmetic Establishments, per Chapter 21, Title 10 of the Guam Code Annotated. Section 20105 of Chapter 20, Title 10, Guam Code Annotated authorizes the Director of DPHSS to adopt and promulgate rules and regulations to carry out the provisions of the mandate, as necessary. These rules and regulations are subject to revisions based on public feedback and recommendations.

Per correspondence with the Department of Public Health and Social Services (DPHSS), the new rules and regulations will replace the existing rules and regulations as adopted in 1984. There are new and expanded requirements in the proposed rules and regulations that will have an estimated economic impact of **\$394,515** per year (See below for details). Note, the estimated economic impact is less than **\$500,000**; therefore, as provided in § 9301(i) of Title 5 GCA, Chapter 9, Article 3, an economic impact statement is not required. To determine the financial impact of these changes, the DPHSS conducted a survey amongst the cosmetic industry. Estimated using the survey results, this fiscal impact may be infused into the local economy as additional tax revenues for the Government of Guam.

**Estimated Financial Impact on Cosmetic Establishments (per year)**

<b>PROPOSED CHANGE</b>	<b>FINANCIAL IMPACT</b>
Training	\$54,422
Protective Clothing	\$59,147
Food Consumption	\$82,072
Ventilation	\$121,949
Coming into Compliance	\$76,925
<b>TOTAL:</b>	<b>\$394,515</b>