

I Mina'trentai Siette Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
94-37 (COR)	Roy A. B. Quinata Joe S. San Agustin Tina Rose Muña Barnes Chris Barnett Sabina Flores Perez Amanda L. Shelton Dwayne T. D. San Nicolas William A. Parkinson	AN ACT TO <i>REPEAL</i> AND <i>REENACT</i> CHAPTER 58D OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE <i>MA KÁHAT</i> ACT OF 2013.	4/10/23 2:23 p.m.	4/14/23	Committee on Infrastructure, Economic Development, Simon Sanchez High School, Disability Services, Self-Determination and Historic Preservation, Housing, Public Accountability, and the Guam Buildup	Request: 4/14/23 4/24/23			Referred Version 4/13/23



COMMITTEE ON RULES

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

April 24, 2023

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

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

Subject: **Fiscal Note for Bill No. 94-37 (COR)**

Håfa Adai yan Biba Guahan!

Find the attached, Fiscal Note for the following bill:

Bill No. 94-37 (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. 94-37 (COR)**

AN ACT TO REPEAL AND REENACT CHAPTER 58D OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE MAKĀ HAT ACT OF 2013.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Department of Education (GDOE)	Dept./Agency Head: Judith Won Pat, Ed.D., Acting Superintendent
Department's General Fund (GF) appropriation(s) to date:	205,318,855
Department's Other Fund (Specify) appropriation(s) to date: Guam Educational Facilities Fund (\$12,838,487); Public School Library Resources Fund (\$686,994); Healthy Futures Fund (\$891,754); School Lunch/Child Nutritional Meal Reimbursement Fund (\$12,504,000); Limited Gaming Fund (\$380,225)	27,301,460
	232,620,315

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2022 Unreserved Fund Balance		\$0	\$0
FY 2023 Adopted Revenues	\$0	\$0	\$0
FY 2023 Appro. (P.L. 36-107 thru)	\$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	1/	\$0	\$0	\$0	\$0
Special Fund	\$0	1/	\$0	\$0	\$0	\$0
Total	\$0	1/	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? // Yes /X/ No
If Yes, see attachment 1/
- 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? /X/ Yes // 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 // Other:

Analyst: <u>William P. Taitingfong</u>	Date: <u>4/20/23</u>	Director: <u>Lester L. Carlson, Jr., Director</u>	Date: APR 21 2023
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Footnotes:
1/ See attached comments on Bill 94-37 (COR).

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 94-37 (COR)

The proposed Bill 94-37 (COR) is an act to repeal and reenact Chapter 58D of Title 5, Guam Code Annotated, relative to the *MA KÁHAT* Act of 2013.

The *MA KÁHAT* Act of 2013 was enacted to authorize the Guam Department of Education (GDOE) to develop a comprehensive capital improvement plan for prioritizing capital improvement to all GDOE schools. The Act also authorized the GDOE to facilitate the financing, design, renovation or construction and long-term capital maintenance of a new Simon Sanchez High School (SSHS) with a private sector contractor who can provide long-term financing obtained through tax-exempt obligations or other competitive alternative financing based on long-term lease-backs to the government of Guam.

The Bureau notes that Section 36 of Chapter XII of Public Law 36-107, the Fiscal Year 2023 Appropriations Act, subsequently repealed and reenacted Subsection (d) of § 58D103, §58D108, and § 58D109 all of Chapter 58D, Title 5, Guam Code Annotated all relative to the financing of a new SSHS. Although the proposed Bill 94-37 will repeal and reenact Chapter 58D, Title 5, Guam Code Annotated in its entirety, the Bureau notes that the total not to exceed principal amount of \$166,365,000 to finance the design, renovation or construction and maintenance of a new SSHS under P.L. 36-107 remains unchanged in the proposed Bill 94-37.

According to comments received from the Guam Economic Development Authority (GEDA), the Bill 94-37 will change the current law to better position the government of Guam to secure a developer who will carry out the construction, financing, and maintenance of the SSHS. GEDA notes that one of the major changes made in the Bill is the removal of the provision that allows the financing to be issued by GEDA which was causing challenges tied to the procurement of a developer. Bill 94-37 reflects the legislative language used for previous developer school leasing financings. This change was made to ensure the government of Guam face minimal procurement protests.

GEDA also notes that Section 58D104 was changed to reflect that the Department of Public Works will issue the Request for Proposal (RFP) for this project. The GEDA recommends that Subsection (d) of this Section 58D104 in Bill 94-37 be amended to state that the issuing procurement authority, DPW, in this case be the entity to make the award on behalf of the GDOE.

It should be noted that the Bureau had sought input on the proposed Bill No. 94-37 (COR) from the GDOE on April 12, 2023 and a follow-up request on April 19, 2023. The Bureau have not received any official comments from GDOE as of the date of this fiscal note.