

I Mina'Trentai Kuáttro Na Liheslaturan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
309-34 (LS)	Régine Biscoe Lee Mary Camacho Torres Telena C. Nelson Louise B. Muña Therese M. Terlaje	AN ACT TO TRANSFER SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) FROM THE ANNUAL COMMUNITY CONTRIBUTION THE GUAM ECONOMIC DEVELOPMENT AUTHORITY RECEIVES FROM THE GUAM HEALTHCARE DEVELOPMENT, INC., DBA GUAM REGIONAL MEDICAL CITY TO THE DEPARTMENT OF ADMINISTRATION FOR DEPOSIT INTO THE HEALTHY FUTURES FUND AND TO APPROPRIATE SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) TO THE GUAM MEMORIAL HOSPITAL TO CORRECT DEFICIENCIES IDENTIFIED IN THE CENTERS FOR MEDICAID AND MEDICARE SERVICES AND JOINT COMMISSION REPORTS OF 2018.	7/2/18 4:52 p.m.	7/10/18	Committee on Appropriations and Adjudication			Fiscal Note Request 7/12/18 Fiscal Note 8/3/18	

Senator Thomas C. Ada,
Vice Chairperson

Speaker Benjamin J.F. Cruz,
Member

Vice Speaker Therese M. Terlaje,
Member

Senator Frank B. Aguon, Jr.,
Member

Senator Telena C. Nelson,
Member



COMMITTEE ON RULES
SENATOR RÉGINE BISCOE LEE, CHAIR

SIKRITARIAN LIHESLATURAN GUAHAN
I MINA' TRENTAI KUATTRO NA LIHESLATURAN GUÅHAN
LEGISLATIVE SECRETARY • 34TH GUAM LEGISLATURE

Senator Dennis G. Rodriguez, Jr.,
Member

Senator Joe S. San Agustin,
Member

Senator Michael F.Q. San Nicolas,
Member

Senator James V. Espaldon,
Member

Senator Mary Camacho Torres,
Member

August 3, 2018

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Régine Biscoe Lee
Chairperson, Committee on Rules

Re: Fiscal Notes

Buenas yan Håfa adai.

Attached, please find the fiscal notes for the following bills:

Bill No. 309-34 (LS)

Bill No. 310-34 (LS)

Bill No. 313-34 (COR) As corrected by the Prime Sponsor

Please forward the same to Management Information Services (MIS) for posting on our website.

For any questions or concerns, please feel free to contact the Committee on Rules Office at 472-2461.

Thank you for your attention to this important matter.



**Bureau of Budget & Management Research
Fiscal Note of Bill No. 309-34 (LS)**

AN ACT TO TRANSFER SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) FROM THE ANNUAL COMMUNITY CONTRIBUTION THE GUAM ECONOMIC DEVELOPMENT AUTHORITY RECEIVES FROM THE GUAM HEALTHCARE DEVELOPMENT, INC., DBA GUAM REGIONAL MEDICAL CITY TO THE DEPARTMENT OF ADMINISTRATION FOR DEPOSIT INTO THE HEALTHY FUTURES FUND AND TO APPROPRIATE SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) TO THE GUAM MEMORIAL HOSPITAL TO CORRECT DEFICIENCIES IDENTIFIED IN THE CENTERS FOR MEDICAID AND MEDICARE SERVICES AND JOINT COMMISSION REPORTS OF 2018.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Memorial Hospital Authority	Dept./Agency Head: Peter John Camacho, Administrator/CEO
Department's General Fund (GF) appropriation(s) to date:	2,770,616
Department's Other Fund (Specify) appropriation(s) to date: GMHA Pharmaceutical Fund - \$15,772,163; Healthy Futures Fund - \$3,343,523.	<u>19,115,686</u>
Total Department/Agency Appropriation(s) to date:	\$21,886,302

Fund Source Information of Proposed Appropriation			
	General Fund:	Healthy Futures Fund	Total:
FY 2017 Unreserved Fund Balance		\$6,917,659	\$6,917,659
FY 2018 Adopted Revenues	\$0	\$27,862,695	\$27,862,695
FY 2018 Appro. (P.L. 34-42 thru P.L. 34-110)	\$0	(\$27,862,695)	(\$27,862,695)
Sub-total:	\$0	\$6,917,659	\$6,917,659
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$6,917,659	\$6,917,659

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2018 (if applicable)	FY 2019	FY 2020	FY 2021	FY 2022
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Healthy Futures Fund	\$0	\$0	\$700,000	\$0	\$0	\$0
Total	\$0	\$0	\$700,000	\$0	\$0	\$0

- | | | | |
|---|---------|------------|--------|
| 1. Does the bill contain "revenue generating" provisions?
If Yes, see attachment | | / / Yes | /X/ No |
| 2. Is amount appropriated adequate to fund the intent of the appropriation?
If no, what is the additional amount required? <u>\$28.6 Million</u> | / / N/A | / / Yes | /X/ No |
| 3. Does the Bill establish a new program/agency?
If yes, will the program duplicate existing programs/agencies?
Is there a federal mandate to establish the program/agency? | / / N/A | / / Yes | /X/ No |
| 4. Will the enactment of this Bill require new physical facilities? | | / / Yes | /X/ No |
| 5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason:
/ / Requested agency comments not received by due date | | /X/ Yes | / / No |
| | | / / Other: | |

Analyst: <u>Angela Flores</u> Angela Flores, BMA IV	Date: <u>01/24/2018</u>	Director: <u>[Signature]</u> Lester L. Carlson, Jr., Deputy Director	Date: AUG 03 2018
--	-------------------------	---	--------------------------

Footnotes: 1/ See attached comments.

Bureau of Budget & Management Research
Comments on Bill No. 309-34 (LS)

Section 2 of Bill No. 309-34 (LS) seeks to transfer Seven Hundred Thousand Dollars (\$700,000) from the Annual Community Contribution received by the Guam Economic Development Authority (GEDA) from the Guam Healthcare Development, Inc., dba Guam Regional Medical City (GRMC), to the Department of Administration (DOA) for Deposit into the Healthy Futures Fund (HFF) for Fiscal Year 2019. Once deposited into the HFF Section 3 appropriates the Seven Hundred Thousand Dollars (\$700,000) from the HFF in Fiscal Year 2019 to address the deficiencies identified by the Centers for Medicaid and Medicare Services (CMS) and Joint Commission reports of 2018 of the Guam Memorial Hospital Authority (GMHA). If these deficiencies are corrected, the GMHA may use the funds for capital improvements or equipment.

Based on information received from the GEDA, the GRMC's Qualifying Certificate (QC) #252 provides that GRMC make annual public investment contributions to GEDA to be used for purposes to include Healthcare (priority to GMH and Department of Public Health and Social Services). As such, the intent of the proposed legislation may be addressed through a recommendation to the GEDA Board on how public investment funds should be allocated based on the existing GRMC QC #252, rather than removing their ability to provide input where the funds are to be used. Furthermore, the proposed legislation will set a negative precedent that public investment monies are to be treated as government revenue for legislative appropriation, which is not the purpose of public investments/community monies. Additionally, the legislation does not provide for GEDA oversight or compliance monitoring once GEDA transfers monies to DOA. Therefore, GEDA cannot certify that monies are going to the appropriate fund/program, which may lead to a potential breach of GEDA's fiduciary responsibility to ensure that funds are properly used.

In addition, previous information from the GMHA indicates that Thirty Four Million Three Hundred Thousand Dollars (\$34,300,000) in immediate concerns is identified by GMHA as of July 9, 2018. And if the intent of the proposed appropriation is to fund specific corrective action plans based on CMS and Joint Commission reports/citations in FY 2019, then the appropriation of Seven Hundred Thousand Dollars (\$700,000), and additionally, the Five Million Dollars (\$5,000,000) under Bill No. 329-34 (COR) will help address such requirement.