

I Mina'trentai Singko 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
250-35 (COR)	James C. Moylan	AN ACT TO ADD § 4125 TO CHAPTER 4, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE PRIORITY SPENDING OF ANY FUNDS AVAILABLE IN A BUDGET SURPLUS.	11/19/19 11:47 a.m.					12/16/19	

Senator Régine Biscoe Lee,
Chair

Senator Amanda L. Shelton,
Vice Chair

Speaker Tina Rose Muña Barnes,
Member

Vice Speaker Telen Cruz Nelson,
Member

Senator Kelly Marsh (Taitano), PhD,
Member

Senator Sabina Flores Perez,
Member



COMMITTEE ON RULES
I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

December 16, 2019

Senator Clynton E. Ridgell,
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Senator Jose "Pedo" Terlaje,
Member

Senator Therese M. Terlaje,
Member

Senator James C. Moylan,
Member

Senator Mary Camacho Torres,
Member and Chair, Subcommittee on Protocol

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Régine Biscoe Lee
Chair, Committee on Rules

Re: Fiscal Notes

Buenas yan Håfa adai.

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

Bill No. 211-35 (COR)
Bill No. 248-35 (LS)
Bill No. 250-35 (COR)

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

For any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director at 472-2461.

Thank you for your attention to this important matter.



**Bureau of Budget & Management Research
Fiscal Note of Bill No. 250-35 (COR)**

AN ACT TO ADD \$4125 TO CHAPTER 4, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE PRIORITY SPENDING OF ANY FUNDS AVAILABLE IN A BUDGET SURPLUS.

Department/Agency Appropriation Information

Dept./Agency Affected: Office of I Maga'Hågan Guåhan	Dept. Head: Lourdes A. Leon Guerrero, I Maga'Hågan
Department's General Fund (GF) appropriation(s) to date:	\$5,906,424
Department's Other Fund appropriation(s) to date: Indirect Cost Fund	\$243,660
Total Department/Agency Appropriation(s) to date:	\$6,150,084

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2019 Unreserved Fund Balance	\$0	\$0	\$0
FY 2020 Adopted Revenues	\$0	\$0	\$0
FY 2020 Appro. (P.L. 35-36 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 2020 (if applicable)	FY 2021	FY 2022	FY 2023	FY 2024
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

1. Does the bill contain "revenue generating" provisions? / / Yes / X / No
If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? / / N/A / / Yes / X / No
If no, what is the additional amount required? \$ _____ / X / N/A
3. 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
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: / / Yes / X / No
/ / Requested agency comments not received by due date / / Other:

Analyst: <u>Jason Baza</u>	Date: <u>12/12/19</u>	Director: <u>Lester L. Carlson, Jr.</u>	Date: <u>DEC 13 2019</u>
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Notes:
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 250-35 (COR)

The proposed legislation seeks to: 1) define a budget surplus as any income that exceeds budgeted expenditures at the end of a fiscal year; 2) authorize the Governor of Guam to transfer a budget surplus to address any critical needs associated directly with public safety, education, or healthcare as a first priority; 3) authorize the Governor of Guam to utilize a budget surplus to reduce any debt or deposit into the Rainy Day Fund as a second priority; 4) require any use of a budget surplus for other purposes be approved by the Guam Legislature.

As reflected in the September 2019 Consolidated Revenue & Expenditure Report (CRER), total gross General Fund (GF) revenue collections in FY 2019 was approximately \$798,066,773, or \$22,437,805 over the adopted GF level of \$775,628,968 in P.L. 34-116. However, it is important to note that the FY 2018 Government of Guam Audit reflects a cumulative deficit of \$83,448,863. The Bureau recommends that the first priority for any use of revenues collected in excess of the adopted levels in any fiscal year's budget act should be reducing the cumulative deficit.

It should be noted that the Governor exercised her transfer authority on December 6, 2019 from FY 2019 General Fund appropriation lapses to cover the following FY 2019 obligations: Retiree Medical, Dental, and Life Premiums (\$5,212,075), University of Guam Cancer Trust Fund (\$500,000), Guam Fire Department Operations (\$432,006), Office of Veterans Affairs Operations (\$49,395), and the Department of Revenue & Taxation Operations (\$15,008). In addition, the Guam Police Department and Department of Corrections have a remaining FY 2019 lapse of approximately \$1,700,000 and \$1,500,000, respectively. Such lapses are intended to be utilized for the recruitment of police and corrections officers as authorized by Chapter 12, Section 21 of P.L. 35-36.