



COMMITTEE ON RULES

I Mina'trentai Unu na Libeslaturan Guahan • The 31st Guam Legislature
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Senator
Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

December 3, 2012

Senator
Judith P. Guthertz
VICE CHAIRPERSON
ASST. MAJORITY LEADER

Memorandum

To: Pat C. Santos
Clerk of the Legislature

MAJORITY
MEMBERS:

From: Senator Judith P. Guthertz, DPA
Acting Chairperson, Committee on Rules

Speaker
Judith T. Won Pat

Subject: Fiscal Notes

Vice Speaker
Benjamin J. F. Cruz

Hafa Adai!

Senator
Tina Rose Muña Barnes
LEGISLATIVE SECRETARY
MAJORITY WHIP

Attached please find the fiscal notes for the bill numbers listed below. Please note that the fiscal notes, or waivers, are issued on the bills as introduced.

Senator
Dennis G. Rodriguez, Jr.
ASST. MAJORITY WHIP

Bill No.: 527-31 (COR)

Senator
Thomas C. Ada

Senator
Adolpho B. Palacios, Sr.

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

Senator
vicente c. pangelinan

MINORITY
MEMBERS:

Si Yu'os ma'ãse'!

Senator
Aline A. Yamashita
ASST. MINORITY LEADER

Senator
Christopher M. Duenas

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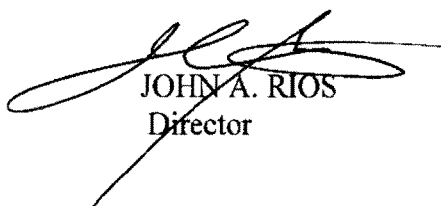
**BUREAU OF BUDGET & MANAGEMENT RESEARCH**OFFICE OF THE GOVERNOR
Post Office Box 2950, Hagåtña Guam 96932**EDDIE BAZA CALVO**
GOVERNOR**JOHN A. RIOS**
DIRECTOR**RAY TENORIO**
LIEUTENANT GOVERNOR**STEPHEN J. GUERRERO**
DEPUTY DIRECTOR

Senator Rory J. Respicio
Chairperson, Committee on Rules
I Mina'trentai Unu na Liheslaturan Guåhan
The 31st Guam Legislature
155 Hesler Place
Hagåtña, Guam 96932

Hafa Adai Senator Respicio:

Transmitted herewith is Fiscal Note on the following Bill Nos.: **527-31(COR)**.

If you have any question(s), please do not hesitate to call the office at 475-9412/9106.



JOHN A. RIOS
Director

Enclosures

cc: Senator Vicente (ben) Pangelinan

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 527-31**

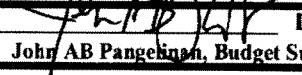

AN ACT TO REDUCE CERTAIN SALARIES BY TEN PERCENT AND TO APPROPRIATE THE SAVINGS TO TAX REFUNDS.

Department/Agency Appropriation Information	
Dept./Agency Affected: Administration	Dept./Agency Head: Benita Mangiona
Department's General Fund (GF) appropriation(s) to date:	21,188,131
Department's Other Fund (Specify) appropriation(s) to date: Indirect Cost Fund (ICF), TAF, THF	1,223,716
Total Department/Agency Appropriation(s) to date:	\$22,411,847

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2012 Unreserved Fund Balance ¹		\$0	\$0
FY 2013 Adopted Revenues	\$561,985,725	\$0	\$561,985,725
FY 2013 Appro. (Substitute Bill 426-31)	(\$548,971,874)	\$0	(\$548,971,874)
Sub-total:	\$13,013,851	\$0	\$13,013,851
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$13,013,851	\$0	\$13,013,851

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2013 (if applicable)	FY 2014	FY 2015	FY 2016	FY 2017
General Fund	(\$699,286)	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund)	(\$100,546)	\$0	\$0	\$0	\$0	\$0
Total	(\$799,832)	\$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 // 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: GIAA has yet to respond.

Analyst: 	Date: 11/28/12	Director: 	Date: _____
John AB Pangelinan, Budget Supervisor		John A. Rios, Director	

Footnotes:
See attached comments.

Testimony on Bill No. 527-31 (COR),
An Act Relative to Reduce Certain Salaries
by Ten Percent and to Appropriate
the Savings to Tax Refund

Prepared by the
Bureau of Budget and Management Research

Bill No. 527-31 (COR) proposes a base salary reduction of 10% to all appointees of the Governor of Guam at all government agencies and elected officials (except Judges and Justices of the Judiciary) that received a based pay greater than \$50,000. Such savings is to go towards the payment of the income tax refund.

The fiscal impact of this proposed legislation is a reduction in personnel services of approximately \$799,832 to include retirement and Medicare benefits. Of this amount, \$699,286 is identified from the General Fund and the remaining balance comes from various Special Fund Revenues of \$69,513 and from one autonomous agency, the Port Authority of Guam, of \$31,033. Saving contributions from Guam Power Authority and Guam Waterworks were not included, based on the understanding that the Consolidated Commission on Utilities (CCU) appoints the leadership of these two autonomous agencies. Information of the salary levels for both the Executive Manager and Deputy Manager for the Guam International Airport were unavailable at this time and therefore excluded from the analysis. Any savings of personnel services funded by federal grants have also been excluded from this analysis. The Mayors Council has also been excluded based on the threshold of \$50,000.

A further breakout of these savings is noted as follows:

	GF		SFs		Other		Total
	Salary	Benefits	Salary	Benefits	Salary	Benefits	
Exe. Bra	\$ 418,733	\$ 132,135	\$ 52,846	\$ 16,667	\$ 23,592	\$ 7,441	\$ 651,414
Legis	\$ 91,936	\$ 29,741	\$ -	\$ -	\$ -	\$ -	\$ 121,677
OPA	\$ 10,000	\$ 2,891	\$ -	\$ -	\$ -	\$ -	\$ 12,891
AG	\$ 10,529	\$ 3,321	\$ -	\$ -	\$ -	\$ -	\$ 13,850
	\$ 531,198	\$ 168,088	\$ 52,846	\$ 16,667	\$ 23,592	\$ 7,441	\$ 799,832

The Bureau supports the legislative bill's intention to pay down income tax refund.