



COMMITTEE ON RULES

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

July 06, 2011

Memorandum

Senator
Judith P. Guthertz
VICE CHAIRPERSON
ASST. MAJORITY LEADER

To: **Pat C. Santos**
Clerk of the Legislature

MAJORITY
MEMBERS:

From: **Senator Rory J. Respicio**
Chairperson, Committee on Rules

Speaker
Judith T. Won Pat

Subject: **Revised Fiscal Note**

Vice Speaker
Benjamin J. F. Cruz

Hafa Adai!

Senator
Tina Rose Muña Barnes
LEGISLATIVE SECRETARY
MAJORITY WHIP

Attached please find the revised fiscal note for the bill number listed below. Disregard original fiscal note received on June 26, 2011.

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

Please note that the fiscal notes, or waivers, are issued on the bills as introduced.

Senator
Thomas C. Ada

Bill No.: 191-31 (COR)

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'åse'!

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

BENITA A. MANGLONA
DIRECTOR

RAY TENORIO
LIEUTENANT GOVERNOR

STEPHEN J. GUERRERO
DEPUTY DIRECTOR

FACSIMILE INFORMATION PAGE

PLEASE DELIVER TO: Solita

FACSIMILE NUMBER: 472-3547

FROM: Norma Salas

Total Pages including this page: 6

If you do not receive legible copies of all the pages, please call back as soon

as possible. Phone numbers (671) 475-9412/9414. Fax number (671) 472-2825

RE: Fixed Note for Bill No. 141-31 (LS) Replacement

COMMENTS: Per our telephone conversation, please replace
 initial fax sent on this with this correct version.
 Your assistance is greatly appreciated. Thank you.

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 191-31 (LS)**

THE YOUTH EDUCATIONAL TRAINING, CULTURAL ENHANCEMENT AND SPORTS OPPORTUNITIES ACT; AN ACT TO ADD A NEW SUB-ITEM (G) TO § 26603(d)(1) OF CHAPTER 26 OF TITLE 11 OF THE GUAM CODE ANNOTATED; TO AMEND §§ 85110 AND 85111 AND ADD NEW §§ 85111.1 AND 85112.1 TO CHAPTER 85 OF TITLE 5 OF THE GUAM CODE ANNOTATED; AND TO AMEND § 77124 OF CHAPTER 77 OF TITLE 21 OF THE GUAM CODE ANNOTATED; RELATIVE TO THE OFF-ISLAND EDUCATIONAL TRAINING AND CULTURAL ENHANCEMENT FUND AND THE SPORTS FUND FOR OFF-ISLAND TRAVEL AND TO ESTABLISH A MENTORING AND LEADERSHIP PROGRAM FOR THE PREVENTION AND CESSATION OF ALCOHOL, TOBACCO AND DRUGS FOR RECIPIENTS OF SUCH FUNDS.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Council on the Arts and Humanities Agency	Dept./Agency Head: Joseph Artero-Cameron
Department's General Fund (GF) appropriation(s) to date:	288,700
Department's Other Fund (Specify) appropriation(s) to date: Tourist Attraction Fund \$50,000	50,000
Total Department/Agency Appropriation(s) to date:	\$338,700

Dept./Agency Affected: Park and Recreation	Dept./Agency Head: Peter S. Calvo, Acting
Department's General Fund (GF) appropriation(s) to date:	3,744,749
Department's Other Fund (Specify) appropriation(s) to date: Public Recreation Services Fund \$212,694; Tourist Attraction Fund \$89,377	1,082,071
Total Department/Agency Appropriation(s) to date:	\$4,826,820

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund): Healthy Futures Fund 1/	Total:
FY 2010 Unreserved Fund Balance ¹		\$20,226	\$20,226
FY 2011 Adopted Revenues	\$0	\$20,297,556	\$20,297,556
FY 2011 Appro. (P.L. 30-196)	\$0	(\$17,797,550)	(\$17,797,550)
Sub-total:	\$0	\$2,520,232	\$2,520,232
Less appropriation in Bill	\$0	(\$400,000)	(\$400,000)
Total:	\$0	\$2,120,232	\$2,120,232

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2011 (if applicable)	FY 2012	FY 2013	FY 2014	FY 2015
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund): Healthy Futures Fund 1/	\$0	\$0	\$0	\$400,000	\$400,000	\$400,000
Total	\$0	\$0	\$0	\$400,000	\$400,000	\$400,000

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

Analyst: Angela Flores Date: 6/22/11 Director: JOHN A. RIOS, ACTING Date: 6/23/11

Footnotes:
1/ The Bill entails an impact on the Healthy Futures Fund by a total of \$400,000 beginning in FY 2013 and every year thereafter. This is based on Section 4 which identifies \$200,000 to the Guam Council on the Arts and Humanities Agency (GCAHA) through the *Off-Island Educational Training and Cultural Enhancement Fund* and Section 7 which identifies \$200,000 to the Department of Parks and Recreation (DPR) through the *Sports Fund for Off-Island Travel*. The Healthy Futures Fund Unreserved Fund Balance is based on FY 2009 Financial Statements (Audited). The Bill has a potential for additional funding impact based on amendments under sub-items (b) of § 85110 for GCAHA and (f) of § 77124 for DPR, each in their development of a mentoring and leadership program for the prevention and cessation of drug, tobacco and alcohol abuse, as may be addressed through available resources of the Department of Mental Health and Substance Abuse. (See Attachments)

GOVERNMENT OF GUAM
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
September 30, 2009

Account Fund Number	617 Guam Memorial Hospital Authority Pharmaceuticals	608 Guam Plant Inspection and Permit	326 Guam Preservation Trust	616 Guam Telephone Authority Privatization Proceeds	270 Health and Human Services	602 Healthy Futures	241 Health Professional Liensure	311 Health and Security Trust	304 Housing Revolving
ASSETS									
Cash and cash equivalents	\$ 1,397	\$ -	\$ -	\$ 669,884	\$ 105,898	\$ 8,595,102	\$ 999,000	\$ 24,967	\$ -
Investments	-	-	-	-	-	-	-	-	\$ 343,735
Receivables, net	-	-	-	-	-	-	-	-	\$ 5,228,000
Taxes	-	-	-	-	-	-	-	-	-
Federal agencies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1,121,895	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from private purpose trust funds	-	175,373	-	497,608	-	295,541	-	1,711,112	281,927
Due from component units	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Deposits and other assets	-	-	-	-	-	-	-	-	-
Total assets	\$ 1,397	\$ 175,373	\$ 1,167,492	\$ 1,657,571	\$ 9,889,643	\$ 2,857,974	\$ 281,927	\$ 5,571,735	\$ 304,988
LIABILITIES AND FUND BALANCES (DEFICIT)									
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued pay roll and other	-	-	-	-	-	-	-	-	-
Due to other funds	1,397	-	-	-	-	64,097	317	-	-
Due to component units	-	-	-	-	-	-	-	-	1,140
Deferred revenue	-	-	-	-	-	-	-	-	-
Provision for tax refunds	-	-	-	-	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	1,397	-	-	-	-	64,097	317	-	8,894
Fund balances (deficit):									
Reserved for	-	-	-	-	-	-	-	-	-
Related assets	-	-	-	-	-	-	-	-	-
(contingent appropriations)	-	-	-	604,500	-	-	-	-	-
Liabilities	-	3,847	-	-	-	124,215	-	-	304,988
Unreserved (deficit)	-	171,526	-	562,992	1,657,571	5,547,415	228,370	28,667	-
Total fund balances (deficit)	-	175,373	-	1,167,492	1,657,571	9,400,473	2,793,877	5,471,735	(100,334)
Total liabilities and fund balances (deficit)	\$ 1,397	\$ 175,373	\$ 1,167,492	\$ 1,657,571	\$ 9,889,643	\$ 2,857,974	\$ 281,927	\$ 5,571,735	\$ 304,988

(continued)

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances (Deficits)
Year Ended September 30, 2009

AS/APP Fund Number	617 Guam Memorial Hospital Authority	608 Guam Plant Inspection and Permit	326 Guam Preservation Trust	616 Guam Telephone Authority Privatization Proceeds	370 Health and Human Services	602 Healthy Futures	241 Health Professional Licensure	311 Health and Security Trust	201 Housing Revolving
Revenues									
Taxes:									
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel	-	-	-	-	-	-	-	-	-
Liquid fuel	-	-	-	-	-	-	-	-	-
Tobacco	-	-	-	-	-	-	-	-	-
Alcoholic beverages	-	-	-	-	5,911	3,397,711	173,898	-	-
Sales, licenses, fees and permits	-	80,020	1,163,227	-	-	-	-	53,892	-
Passport fees	-	-	7,767	7,186	31,052	1,283	-	-	-
Use of money and property	211	-	-	-	-	-	-	-	-
Federal contributions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenues	211	80,020	1,170,994	7,186	36,963	8,753,848	173,898	53,892	-
Expenditures by Function:									
Current:									
General government	-	-	-	-	-	248,212	-	-	119,000
Protection of life and property	-	-	-	-	1,027,013	6,976,826	75,416	-	-
Public health	-	-	-	-	-	510,499	-	-	-
Community services	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	20,763	-	-	-
Individual and collective rights	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Environmental protection	-	40,484	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Payments to Guam Community College	11,991,607	-	-	-	-	-	-	340,094	-
Payments to Guam Memorial Hospital	-	-	1,125,000	-	-	-	-	-	-
Payments to Guam Preservation Trust	-	-	-	-	-	-	-	-	-
Payments to Chanorro Land Trust (Commission)	-	-	-	-	-	-	-	-	-
Payments to Guam Visitors Bureau	-	-	-	-	-	-	-	-	-
Payments to University of Guam	-	-	-	-	-	-	-	-	-
Miscellaneous appropriations	-	-	-	-	-	-	-	-	-
Total expenditures	11,991,607	40,484	1,125,000	-	1,027,013	7,756,300	75,416	459,094	-
Excess (deficiency) of revenues over	(11,991,396)	39,536	45,994	7,186	(990,050)	997,548	98,482	(405,202)	-
(under) expenditures									
Other financing sources (uses):									
Transfers in from other funds	11,989,207	-	-	-	8,601,943	(995,643)	(180,382)	-	-
Transfers out to other funds	-	(10,884)	-	-	(591)	-	-	-	-
Total other financing sources (uses), net	11,989,207	(10,884)	-	-	8,601,352	(995,643)	(180,382)	(405,202)	-
Net change in fund balances (deficits)	(2,189)	28,652	45,994	7,186	7,611,302	1,905	(81,900)	5,876,937	204,954
Fund balances (deficits) at beginning of year	2,189	146,721	1,121,498	1,650,385	1,789,171	2,791,972	363,510	5,471,735	291,954
Fund balances (deficits) at end of year	\$ -	\$ 175,373	\$ 1,167,492	\$ 1,657,571	\$ 9,400,473	\$ 2,793,877	\$ 281,610	\$ 5,471,735	\$ 291,954

(continued)

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures by Object, and Changes in Fund Balances (Deficits)
Year Ended September 30, 2009

AS-400 Fund Number	617 Guam Memorial Hospital Authority	608 Guam Plant Inspection and Permit	326 Guam Preservation Trust	616 Guam Telephone Authority Privatization Proceeds	270 Health and Human Services	602 Healthy Futures	241 Health Professional Licensure	311 Health and Security Trust	201 Housing Revolving
Revenues:									
Taxes									
Property									
Hotel									
Liquid fuel									
Tobacco									
Alcoholic beverages									
Sales, licenses, fees and permits		80,020		1,163,227	5,911	3,397,711	173,898		
Passport fees									
Use of money and property	211			7,767		1,283		53,892	
Federal contributions									
Other									
Total revenues	211	80,020		1,170,994	36,963	8,753,848	173,898	53,892	
Expenditures by Object:									
Salaries and wages - regular						4,568,550	19,309		
Salaries and wages - overtime						729			
Salaries and wages - fringe benefits						1,331,903	7,212		
Travel						3,225	21,764		
Contractual services		6,755			55,790	1,248,584	21,554		
Building rent						10,793			
Supplies		4,159				303,586	2,411		
Equipment		628				9,943	3,166		
Utilities - power and water		26,199				211,755			
Communications		2,743				20,763			
Capital outlays									
Payments to component units									
Supplemental annuity benefits	11,991,607			1,125,000				340,094	
Miscellaneous									
Total expenditures	11,991,607	40,484		1,125,000	971,223	46,469		119,000	
Excess (deficiency) of revenues over									
(under) expenditures	(11,991,396)	39,536		45,994	(990,050)	997,548	98,482	(405,202)	
Other financing sources (uses):									
Transfers in from other funds	11,989,207				8,601,943				
Total other financing sources (uses), net		(10,884)			(591)				
Net change in fund balances (deficits)	11,989,207	(10,884)		45,994	7,611,302	(995,643)	(180,382)		
Fund balances (deficits) at beginning of year	(2,189)	28,652		146,721	7,186	8,601,352	(81,900)		
Fund balances (deficits) at end of year	2,189	175,373		1,121,498	1,789,171	2,791,972	363,510	5,876,937	294,954
	\$	\$	\$	\$	\$	\$	\$	\$	\$

See Accompanying Independent Auditors' Report.

(continued)

GOVERNMENT OF GUAM

Nonmajor Governmental Funds - Special Revenue Funds, Continued September 30, 2009

Guam Telephone Authority Privatization Proceeds Fund – This fund was created by Public Law 26-70 to account for the proceeds realized from the sale of the Guam Telephone Authority.

Health and Human Services Fund - This fund was created by Public Law 24-174 to account for 10% of proceeds from the sale and securitization of the allocation under the Master Settlement Agreement for settlements received from the tobacco industry.

Healthy Futures Fund – This fund was created by Public Law 27-05 to account for 50% of proceeds received on alcoholic beverages excise taxes and all tobacco-related taxes to be expended for health and education programs relating to tobacco and alcohol prevention, cessation, treatment and control, and to improving overall health and well-being.

Health Professional Licensure Fund - This fund was created by Public Law 21-33 to defray the cost of obtaining standardized examination materials and services for the healing arts and cosmetology licensure and the cost of proctoring examination at the testing site.

Health and Security Trust Fund - This fund was created by Public Law 24-174 to account for 50% of proceeds from the sale and securitization of the allocation under the Master Settlement Agreement to be expended for the operations and capital expenditures of the Guam Memorial Hospital Authority.

Housing Revolving Fund - This fund is maintained to account for the leasing of Government of Guam housing units to both private individuals and public organizations. Funding of this program is provided by both rental fees and Government contributions.

Human Resource Services Revolving Fund – This fund was created by Executive Order No. 2002-01 for administrative costs and supplies and equipment costs associated within the areas of classification and pay, recruitment, records, employee benefits, test development, employee management relations, training and development, as well as the Drug-Free Workplace Program of the Human Resources Division.

Income Tax Refund Reserve Fund - This fund was created by Public Law 22-140 for the purpose of receiving General Fund revenues reserved for income tax refund payments. This fund is not subject to any transfer authority of the Governor of Guam.

Income Tax Efficiency Payment Fund – This fund was created by Public Law 26-74 for the purpose of improving the efficiency of tax refund payments by hiring temporary income tax return processors, training of Department of Revenue and Taxation employees, and the purchase of computer and other equipment to quickly process income tax returns.

Indirect Cost Fund - This fund was created by Public Law 29-113 to account for appropriations for the following purposes: (a) training such as Continuing Professional Education Credits, CPE; (b) negotiating and administering GovGuam's indirect cost rate; (c) purchasing of supplies and equipment associated with negotiating and administering GovGuam's indirect cost rate; and (d) automated budget development and maintenance.

See Accompanying Independent Auditors' Report.