



# COMMITTEE ON RULES

*I Mina'trentai Dos na Liheslaturan Guåhan* • The 32nd Guam Legislature

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Senator  
Rory J. Respicio  
CHAIRPERSON  
MAJORITY LEADER

February 27, 2014

## Memorandum

**To:** Rennae Meno  
*Clerk of the Legislature*

**From:** Senator Rory J. Respicio  
*Majority Leader & Rules Chair*

**Subject:** Fiscal Notes / Waiver

*Hafa Adai!*

Attached please find the fiscal notes and waiver for the bill numbers listed below.

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

### FISCAL NOTES:

Bill No. 243-32(COR)

Bill No. 244-32(COR)

Bill No. 248-32(COR)

Bill No. 255-32(COR)

Bill No. 265-32(COR)

Bill No. 267-32(COR)

### WAIVER:

Bill No. 25232(COR)

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

*Si Yu'os ma'åse'!*

Senator  
Thomas C. Ada  
VICE CHAIRPERSON  
ASSISTANT MAJORITY LEADER

Senator  
Vicente (Ben) C. Pangelinan  
Member

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Judith T.P. Won Pat, Ed.D.  
Member

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Member

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Member  
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Aline Yamashita  
Member

2014 FEB 27 11:08

**BUREAU OF BUDGET & MANAGEMENT RESEARCH**OFFICE OF THE GOVERNOR  
Post Office Box 2950, Hagåtña Guam 96932EDDIE BAZA CALVO  
GOVERNORJOHN A. RIOS  
DIRECTORRAY TENORIO  
LIEUTENANT GOVERNORJOSE S. CALVO  
DEPUTY DIRECTOR


FEB 25 2014

Senator Rory J. Respicio  
Chairperson, Committee on Rules  
I Mina'trentai Dos na Liheslaturan Guâhan  
The 31<sup>st</sup> Guam Legislature  
155 Hesler Place  
Hagåtña, Guam 96932

*Hafa Adai* Senator Respicio:

Transmitted herewith is Fiscal Note on the following Bill Nos.: 243-32(COR), 244-32(COR), 248-32(COR), 255-32(COR), 265-32(COR) 267-32(COR) and Fiscal Note Waiver on the following Bill Nos.: 252-32(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. 267-32 (COR)**

**AN ACT TO STRENGTHEN PROVISIONS FOR THE REPAIR OR DEMOLITION OF UNSAFE STRUCTURES IN GUAM'S BUILDING LAW, BY AMENDING §§ 66501, 66503, 66504, 66505, 66507 AND 66508 OF ARTICLE 5 AND § 66701 OF ARTICLE 7, EACH OF CHAPTER 66, TITLE 21, GUAM CODE ANNOTATED.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Contractor's License Board / Guam Building Code Council	Dept./Agency Head: Eduardo Ordonez, Executive Director
Department's General Fund (GF) appropriation(s) to date:	-
Department's Other Fund (Specify) appropriation(s) to date: Guam Contractor's License Board Fund	\$624,062
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$624,062</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2013 Unreserved Fund Balance <sup>1</sup>		\$0	\$0
FY 2014 Adopted Revenues	\$0	\$0	\$0
FY 2014 Appro. (P.L. 31-233)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2014 (if applicable)	FY 2015	FY 2016	FY 2017	FY 2018
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Guam Contractor's License Board Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- Does the bill contain "revenue generating" provisions? /X/ Yes    / / 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? \$ \_\_\_\_\_
- Does the Bill establish a new program/agency? /X/ N/A    / / 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: / / Yes    /X/ No  
 /X/ Requested agency comments not received as of the due date    / / Other:

*JP*  
*2/24/14*

Analyst: Jason W. Baza    Date: 2/4/14    Director: John A. Rios    Date: **FEB 25 2014**  
 Jason W. Baza, BMA I    John A. Rios, Director

Footnotes:  
 1/ See attached comments.

**Bureau of Budget & Management Research**  
**Attachment to Fiscal Note No. 267-32 (COR)**  
**(for revenue generating provisions)**

Projected Multi-Year Revenues					
	Year 1	Year 2	Year 3	Year 4	Year 5
General Fund	\$0	\$0	\$0	\$0	\$0
Contractor's License Board Fund	1/	\$0	\$0	\$0	\$0
<b>Total</b>	<u>1/</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Comments:**

1/ Should the proposed legislation become law, the provisions in regards to the Guam Building Law will be strengthened and a penalty for violating the Guam Building Law will be more clearly defined. The proposed legislation would amend §§ 66501, 66503, and 66504 of Article 5, Title 21 GCA to include the language "vacate, vacating" any building that is deemed as an unsafe structure pursuant to §66501 of Article 5, Title 21 GCA. The proposed legislation would also amend § 66505 to omit the language "imprisonment" in regards to violations against the Guam Building Law and the "unsafe building" clause in § 66501 of Article 5, Title 21 GCA. The proposed legislation would amend § 66507 to include the definition of the fine/penalty if any person violates the provisions in Article 5, Title 21 GCA regarding unsafe structures and failure to vacate, repair, or demolish such structure. §66507, Article 5, Title 21 GCA stipulates that the assessed, annual fine will be twenty percent (20%) of the assessed value of the subject property. The proposed legislation is administrative in nature, but there is potential for revenues to be received by the Guam Building Code Council, funded by the Contractor's License Board Fund, in the form of fine assessments. For example, if a building that amounts to a total of 4,638 square feet, and is deemed an "unsafe building" pursuant to § 66501, Article 5, Title 21 GCA, the Bureau estimates that \$92,760 (4,638 sq. ft \* \$100/sq. ft. commercial building tax appraisal rate \* 20% of the appraised value) would need to be collected by the owner(s) of such property by the Guam Building Code Council.