#### I Mina'Trentai Dos Na Liheslaturan Received Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
398-32 (COR)	Aline A. Yamashita, Ph.D.	AN ACT TO SUPPORT GUAM'S MUSICIANS AND ENTERTAINERS BY AMENDING §3414 OF ARTICLE 4, CHAPTER 3, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PERMITTING ON-SALE LICENSEES TO SELL AND SERVE ALCOHOLIC BEVERAGES DURING EXTENDED HOURS.	9/17/14 11:48 a.m.	09/17/14	Committee on Aviation, Ground Transportation, Regulatory Concerns, and Future Generations			Fiscal Note Request 9/23/14 Fiscal Note Recd 10/15/14



## **COMMITTEE ON RULES**

*I Mina'trentai Dos na Liheslaturan Guåhan* • The 32nd Guam Legislature 155 Hesler Place, Hagåtña, Guam 96910 • *www.guamlegislature.com* E-mail: *roryforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

Senator Rory J. Respicio October 15, 2014 CHAIRPERSON MAIORITY LEADER 700 001 15 Senator Memorandum Thomas C. Ada VICE CHAIRPERSON To: Rennae Meno 01 : 2**4** <del>4</del> ASSISTANT MAIORITY LEADER Clerk of the Legislature Speaker Judith T.P. Won Pat, Ed.D. Senator Rory J. Respicio-From: Member Majority Leader & Rules Chair Senator Dennis G. Rodriguez, Jr. Subject: **Fiscal Note and Waiver** Member Vice-Speaker Hafa Adai! Benjamin J.F. Cruz Member Attached please find the fiscal note and waiver for the bill numbers listed Legislative Secretary below. Please note that the fiscal note and waiver are issued on the bills as Tina Rose Muña Barnes introduced. Member Senator **FISCAL NOTE:** Frank Blas Aguon, Jr. Bill No. 398-32 (COR) Member Senator WAIVER: Michael F.Q. San Nicolas Bill No. 399-32 (COR) Member Please forward the same to MIS for posting on our website. Please contact our Senator V. Anthony Ada office should you have any questions regarding this matter. Member MINORITY LEADER Si Yu'os ma'åse'! Senator Aline Yamashita Member



# BUREAU OF BUDGET & MANAGEMENT RESEARCH

Post Office Box 2950, Hagåtña Guam 96932

EDDIE BAZA CALVO GOVERNOR ANTHONY C. BLAZ DIRECTOR

RAY TENORIO LIEUTENANT GOVERNOR

GOT 1 2014

JOSE S. CALVO ACTING DEPUTY DIRECTOR

Senator Rory J. Respicio Chairperson, Committee on Rules I Mina'trentai Dos na Liheslaturan Guåhan The 32nd Guam Legislature 155 Hesler Place Hagåtna, Guam 96932

Hafa Adai Senator Respicio:

Transmitted herewith is Fiscal Note on the following Bill Nos.: <u>398-32(COR) and</u> Fiscal Note Waiver on the following Bill No.: <u>399-32(COR)</u>.

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

ANTHONY C. BLAZ Director

Enclosures

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#### Bureau of Budget & Management Research Fiscal Note of Bill No. 398-32 (COR)

AN ACT TO SUPPORT GUAM'S MUSICIANS AND ENTERTAINERS BY AMENDING §3414 OF ARTICLE 4, CHAPTER 3, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PERMITTING ONSALE LICENSEES TO SELL AND SERVE ALCOHOLIC BEVERAGES DURING EXTENDED HOURS.

Department/Agency Appropriation Information					
Dept./Agency Affected: Department of Revenue and Taxation Dept./Agency Head: John P. Camacho					
Department's General Fund (GF) appropriation(s) to date:					
Department's Other Fund (Specify) appropriation(s) to date: Tax Collection Enhancement Fund (\$864,487) / Better Public Service Fund (\$1,829,515)					
Total Department/Agency Appropriation(s) to date:					

Fund Source In			
	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	S0	50
FY 2015 Appro. <u>(P.L. 32-181)</u>	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	S0	\$0
Total:	\$0	\$0	\$0

	One Full Fiscal Year	Estin For Remainder of FY 2015 (if applicable)	nated Fiscal Impact FY 2016	of Bill FY 2017	FY 2018	FY 2019
General Fund	\$0	50	\$0	\$0	\$0	S
(Specify Special Fund)	\$0	50	\$0	50	\$0	St
Total	<u>so</u>	<u>50</u>	<u>\$0</u>	<u>\$0</u>	<u>50</u>	S

1.	Does the bill contain "revenue generating" provisions?	/ <b>x</b> /	Yes	/ / No		
Iſ	Yes, see attachment					
2.	Is amount appropriated adequate to fund the intent of the appropriation?	/ x /	N/A	11	Yes	/ / No
	If no, what is the additional amount required? \$	1 x /	N/A			
3.	Does the Bill establish a new program/agency?			11	Yes	/ x / No
	If yes, will the program duplicate existing programs/agencies?	/ <b>x</b> /	N/A	1.1	Yes	/ / No
	Is there a federal mandate to establish the program/agency?			11	Yes	/ x / No
4.	Will the enactment of this Bill require new physical facilities?			11	Yes	/ x / No
5.	Was Fiscal Note coordinated with the affected dept/agency? If no, indicat	e reason:		/ <b>x</b> /	Yes	/ / No
	/ x / Requested agency comments not received by due date	/ / Other.	•			

		X	1	
Analyst:	Date: / / / / / / /		Anthony C. Blaz, Director	

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Footnotes: For illustrative purposes, the average har in the U.S. generates approximately \$200K annually in sales. Most operate 7 days a week from 2pm - 2am or 4,368 business hours annually. Bill 398-32 would extend the sale of alcoholic beverages until 4am increasing annual operating time by an additional 728 hours or an increase of \$33.3K in sales annually per establishment. The government's tax base may increase slightly by approximately \$87K annually (reference attachment).

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## Bureau of Budget & Management Research Attachment to Fiscal Note No. 43332 (COR)

12-hr operating cycle	******	
# hrs per week (2pm-2am):		84
Total Business Hrs (Annually):		4,368
Revenue generation (hourly):	\$	45.79
Revenue generation (nourly).	æ	7.7.7
Annual Sales:	\$	200,000
14-hr operating cycle		
# hrs per week (2pm-4am):		98
Total Business Hrs (Annually):		5,096
Revenue generation (hourly):	\$	45.79
Annual Sales:	\$	233,333
Variance:	\$	33,333
Projected # of bars on Guam:		65
Business Privilege Tax Increase (4% GRT):	\$	86,667
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Senator Rory J. Respicio Chairperson Majority Leader

September 23, 2014

Senator Thomas C. Ada Vice Chairperson Assistant Majority Leader

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

Senator Dennis G. Rodriguez, Jr. Member

> Vice-Speaker Benjamin J.F. Cruz Member

Legislative Secretary Tina Rose Muña Barnes Member

Senator Frank Blas Aguon, Jr. Member

Senator Michael F.Q. San Nicolas Member

> Senator V. Anthony Ada Member MINORITY LEADER

Senator Aline Yamashita Member VIA E-MAIL joey.calvo@bbmr.guam.gov

Jose S. Calvo Acting Director Bureau of Budget & Management Research P.O. Box 2950 Hagåtña, Guam 96910

#### RE: Request for Fiscal Notes- Bill No. 397-32 (COR) through 401-32(COR)

Hafa Adai Mr. Calvo:

Transmitted herewith is a listing of *I Mina'trentai Dos na Liheslaturan Guåhan's* most recently introduced bills. Pursuant to 2 GCA §9103, I respectfully request the preparation of fiscal note for the referenced bills.

Si Yu'os ma'åse' for your attention to this matter.

Very Truly Yours,

12my J. Respicio

**Senator Rory J. Respicio** *Chairperson of the Committee on Rules* 

Attachment (1)

Cc: Clerk of the Legislature

Bill Nos.	Sponsors	Title
397-32 (COR)	R. J. Respicio. J.T. Won Pat, Ed.D., T. C. Ada	AN ACT TO APPROPRIATE \$600,000 FOR A GYMNASIUM AND SPORTS CLASSROOMS IN NORTHERN GUAM.
398-32 (COR)	Aline A. Yamashita, Ph.D.	AN ACT TO SUPPORT GUAM'S MUSICIANS AND ENTERTAINERS BY AMENDING §3414 OF ARTICLE 4, CHAPTER 3, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PERMITTING ON- SALE LICENSEES TO SELL AND SERVE ALCOHOLIC BEVERAGES DURING EXTENDED HOURS.
399-32 (COR)	R. J. Respicio	AN ACT TO AMEND § 3218, CHAPTER 3, ARTICLE 2, TITLE 16 OF THE GUAM CODE ANNOTATED TO UPDATE THE CURRENT STANDARDS ON THE SALE OF OLD TIRES.
400-32 (COR)	R. J. Respicio	AN ACT TO ADOPT THE UNIFORM ENFORCEMENT OF FOREIGN JUDGMENTS ACT ("UEFJA") AND THE UNIFORM FOREIGN MONEY JUDGMENTS RECOGNITION ACT ("UFMJRA").
401-32 (COR)	Dennis G. Rodriguez, Jr., R. J. Respicio	AN ACT TO AMEND CHAPTER V (0)(3) OF PUBLIC LAW 32-181 RELATIVE TO THE PROTECTION OF GUAM'S NATURAL RESOURCES.



## **COMMITTEE ON RULES**

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Senator Rory J. Respicio Chairperson Majority Leader

September 17, 2014

#### **MEMORANDUM**

Senator Thomas C. Ada Vice Chairperson Assistant Majority Leader

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

Senator Dennis G. Rodriguez, Jr. Member

> Vice-Speaker Benjamin J.F. Cruz Member

Legislative Secretary Tina Rose Muña Barnes Member

Senator Frank Blas Aguon, Jr. Member

Senator Michael F.Q. San Nicolas Member

> Senator V. Anthony Ada Member MINORITY LEADER

Senator Aline Yamashita Member To:Rennae MenoClerk of the Legislature

**Attorney Therese M. Terlaje** *Legislative Legal Counsel* 

From: Senator Rory J. Respicio Chairperson of the Committee on Rules

#### Subject: Referral of Bill No. 398-32(COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 398-32(COR).** 

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Dos na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

Attachment

### I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN 2014 (SECOND) Regular Session

Bill No. 398-32 (egr.)

Introduced by:

## A.A. Yamashita, Ph.D. Gy AN ACT TO SUPPORT GUAM'S MUSICIANS AND ENTERTAINERS BY AMENDING §3414 OF ARTICLE 4, CHAPTER 3, TITLE 11, ANNOTATED, RELATIVE TO PERMITTING ON-SALE LICENSEES TO SELL AND SERVE ALCOHOLIC **BEVERAGES DURING EXTENDED HOURS.**

#### -**BE IT ENACTED BY THE PEOPLE OF GUAM:**

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#### Section 1. Legislative Findings and Intent.

3 I Liheslaturan Guåhan finds that since the establishment of P.L. 30-154 on July 8, 2010 reducing the hours of sale of alcoholic beverages, local 4 musicians and entertainers have experienced a decline in hiring 5 6 opportunities due to a lack of venues necessitating their services. I Liheslaturan Guåhan finds that the local entertainment industry is a unique 7 and significant component of Guam's economy that depends on the 8 support of other local businesses. I Liheslaturan Guåhan concurrently 9 recognizes that in order to maintain public health and safety, it is necessary 10 janan di that the hours during which on-sale licensees may sell and serve alcoholic beverages be appropriately limited. Accordingly, in order to foster and support local musicians and entertainers on Guam without repealing the limitations of P.L. 30-154, *I Liheslaturan Guåhan* finds that it is beneficial to extend the hours during which on-sale licensees may sell and serve alcoholic beverages for limited hours with the requirement that live entertainment be provided.

Furthermore, it is the intent of *I Liheslaturan Guåhan* that the Department of Revenue and Taxation promulgate the necessary rules, regulations, and applicable fees necessary to implement, monitor, and control, under a special license classification, the sale of alcoholic beverages during extended hours authorized by this Act.

Section 2. Extended Hours of Sale Authorized. §3414 of Article 4,
Chapter 3, Title 11, Guam Code Annotated, is hereby amended, to read:

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#### "§3414. Hours of Sale. On Sale Premises.

(a) An on-sale licensee shall not sell or serve any person any alcoholic
beverages between the hours of 2:00 a.m. and 8:00 a.m., provided, however,
that all alcoholic beverages must be consumed within fifteen (15) minutes
of the time permitted for the sale thereof and premise(s) shall be closed no
later than 3:00 a.m. thereafter except as otherwise specifically provided
herein.

(b) An on-sale licensee may sell or serve any person any alcoholic
beverages between the hours of 2:00 a.m. and 4:00 a.m. provided that the
licensee offers live entertainment within its establishment where the

entertainment takes place in the presence of an audience. For purposes of 1 this section, "live entertainment" shall be limited to one (1) or more of the 2 following activities: (i) performance of live music; (ii) any playing of 3 recorded music when the person playing the music selects the music to be 4 played and mixes the recorded music; (iii) performance of a play; (iv) 5 6 performance of dance; or (v) exhibition of a film. All on-sale licensees selling and serving during the extended hours as permitted herein shall 7 employ door supervisors during said hours to verify identification and 8 9 ages of all entrants into the licensee's establishment.

(c) All alcoholic beverages must be consumed within fifteen (15)
 minutes of the time permitted for the sale thereof and premises shall be
 closed no later than 4:30 a.m. for on-sale licensees selling and serving
 during extended hours as permitted herein.

(d) A licensee may begin selling or serving alcoholic beverages at 8:00
 a.m., Monday through Sunday, inclusive."

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#### Section 3. Promulgation of Rules and Regulations.

The Department of Revenue and Taxation (Department) shall, pursuant to the Administrative Adjudication Act, promulgate the rules, regulations, and applicable fees necessary to implement, monitor, and control the sale of alcoholic beverages, under a special license classification, during extended hours pursuant to the provisions of Section 2 of this Act. The Department shall ensure that no less than fifty percent (50%) of revenues generated from licenses issued pursuant to this Act shall be designated for programs that support alcohol education, as well the
partnerships that may be established between business establishments and
transportation service providers. The rules, regulations, and applicable
fees required herein shall be promulgated no later than six (6) months
following the enactment of this Act.

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#### Section 4. Effective Date.

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7 The provisions of this Act shall become effective immediately, except 8 that Section 2 shall not become effective until the rules, regulations, and 9 applicable fees have been duly promulgated in accordance with the 10 Administrative Adjudication Act as required herein.