



# COMMITTEE ON RULES

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

Senator  
Rory J. Respicio  
CHAIRPERSON  
MAJORITY LEADER

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 E.Q. San Nicolas  
Member

Senator  
V. Anthony Ada  
Member  
MINORITY LEADER

Senator  
Aline Yamashita  
Member

November 6, 2014

## Memorandum

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

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

**Subject:** **Fiscal Notes**

*Hafa Adai!*

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

### FISCAL NOTES:

- Bill No. 402-32 (COR)
- Bill No. 404-32(LS)
- Bill No. 409-32(COR)
- Bill No. 410-32(COR)
- Bill No. 411-32(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'!*

2014 NOV - 6 AM 11:04

*Handwritten signature*

**BUREAU OF BUDGET & MANAGEMENT RESEARCH**OFFICE OF THE GOVERNOR  
Post Office Box 2950, Hagåtña Guam 96932EDDIE BAZA CALVO  
GOVERNORANTHONY C. BLAZ  
DIRECTORRAY TENORIO  
LIEUTENANT GOVERNOR

OCT 28 2014

JOSE L. 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  
Hagåtña, Guam 96932

*Hafa Adai* Senator Respicio:

Transmitted herewith is Fiscal Note on the following Bill Nos.: 402-32(COR), 404-32(LS), 409-32(COR) and 411-32(COR).

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



ANTHONY C. BLAZ  
Director

Enclosures

**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 410-32 (COR)**

**AN ACT TO REZONE LOT NO. 88, TRACT NO. 1536, (AGRICULTURAL SUBDIVISION), BARRIGADA, GUAM, ESTATE NO. 56545, FROM AGRICULTURAL ZONE (A) TO MULTIPLE DWELLING ZONE (R-2).**

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Land Management	Dept./Agency Head: Michael J.B. Borja, Director
Department's General Fund (GF) appropriation(s) to date:	334,012
Department's Other Fund appropriation(s) to date: Land Survey Revolving Fund	<u>\$3,095,832</u>
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$3,429,844</b>

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Revenue & Taxation	Dept./Agency Head: John Camacho, Director
Department's General Fund (GF) appropriation(s) to date:	9,052,847
Department's Other Fund appropriation(s) to date: Better Public Service Fund, Tax Collection Enhancement	<u>\$2,694,002</u>
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$11,746,849</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance <sup>1</sup>		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181)	\$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 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Land Survey Revolving Fund	1/	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>1/</b>	<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: /X/ Yes    / / No  
/ / Requested agency comments not received as of the due date    / / Other:

Analyst: <u>Jason Baza</u>	Date: <u>10/23/14</u>	Director: <u>Anthony C. Blaz</u>	Date: <u>OCT 24 2014</u>
Jason W. Baza, BMA I		Anthony C. Blaz, Director	

Footnotes:  
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 410-32 (COR)

The intent of the proposed legislation is to rezone Lot No. 88, Tract No. 1536, (Agricultural Subdivision), Barrigada, Guam, Estate No. 56545, from an Agricultural Zone to a Multiple Dwelling Zone. However, the proposed legislation does not provide a descriptive reasoning behind the property rezoning.

Should this proposed legislation become law, Lot No. 88, Tract No. 1536 would have a higher appraisal value, which in effect raises the real property tax value of the property. Per the Department of Revenue & Taxation (DRT), the tax rate for buildings (0.35008%) and land (0.0875033%) applies to all properties regardless of the property's zone. However, because the appraisal value rises with the rezoning from Agricultural Zone to a Multiple Dwelling Zone, the DRT can expect a slight increase in revenues received in the form of increased property tax.

For example, the current appraisal value for Lot No. 88, Tract No. 1536 is \$339,784 (Land - \$93,598; Building - \$246,186). The DRT uses a formula to calculate the appraisal value based on property location, size, and existing infrastructure. There is no component of the proposed legislation that implies changes to the properties existing infrastructure. Per DRT, the appraisal impact cannot be projected because the appraisal values reflected on their system is reflective of the 1993 Triennial Island-wide Appraisal.

The proposed legislation would rezone the subject property from an Agricultural Zone to a Multiple Dwelling Zone. Although the rezoning would increase the property's appraised value, the increase of appraised value cannot be projected. However, the Bureau determines that revenues in the form of increased property taxes will be received by the Department of Revenue & Taxation.