



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

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June 22, 2015

Memorandum

To: Rennae Meno
Clerk of the Legislature

From: Senator Thomas C. Ada 
Acting Chairperson of the Committee on Rules

Subject: Fiscal Notes and Fiscal Note Waivers

Hafa Adai!

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

FISCAL NOTES:

- Bill No. 17-33(COR)
- Bill No. 104-33(LS)
- Bill No. 111-33(LS)
- Bill No. 121-33(COR)
- Bill No. 122-33(COR)
- Bill No. 124-33(COR)
- Bill No. 125-33(COR)
- Bill No. 126-33(COR)

FISCAL NOTE WAIVERS:

- Bill No. 89-33(LS)
- Bill No. 120-33(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'!

2015 JUN 22 PM 4:45

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 104-33 (LS)**

AN ACT TO REPEAL 19 GCA CHAPTER 22; TO REPEAL 5 GCA §3120 AND ADD A NEW ARTICLE 3 TO 22 GCA DIVISION 1 CHAPTER 1 DEPARTMENT OF LABOR.

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Labor	Dept./Agency Head: Maria S. Connelley, Director
Department's General Fund (GF) appropriation(s) to date:	1,993,348
Department's Other Fund (Specify) appropriation(s) to date:	668,487
Total Department/Agency Appropriation(s) to date:	\$2,661,835

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181 thru 33-07)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

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 1/	\$0	\$22,234	\$99,666	\$102,656	\$105,736	\$108,908
(Specify Special Fund)	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$0	\$22,234	\$99,666	\$102,656	\$105,736	\$108,908

- 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? /x/ Yes / / No
If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes /x/ No
Is there a federal mandate to establish the program/agency? /x/ Yes / / 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:

Analyst: Dina P. Rivera Date: 6-17-15 Director: Jose S. Calvo Date: JUN 19 2015
[Signature]
Jose S. Calvo, Director

1/ See attached comments.

COMMENTS TO BILL No. 104-33 (LS)

AN ACT TO REPEAL 19 GCA CHAPTER 22; TO REPEAL 5 GCA §3120 AND
ADD A NEW ARTICLE 3 TO 22 GCA DIVISION 1 CHAPTER 1 DEPARTMENT
OF LABOR.

The intent of the bill is to eliminate the Agency for Human Resources Development (AHRD) as a Department of the Executive Branch of the Government of Guam by merging and renaming AHRD as the new Division of Workforce Development and Training under the Department of Labor (DOL). This proposed measure follows the Governor's Executive Order 2015-01 which places AHRD under the administrative supervision of DOL. Per information received from the Department of Labor/AHRD, the proposed bill "will help Guam to succeed in meeting the requirements of the Workforce Innovation and Opportunity Act (WIOA) recently signed into law by the U.S. Department of Labor's on July 22, 2014. The WIOA requires states to strategically align workforce development programs, develop and submit a four-year strategy in the form of a single unified strategic plan for core programs-for preparing an educated and skilled workforce and meeting the needs of the employers..." In regards to a fiscal impact, it was mentioned that there will be no additional cost impact to DOL's operating expenses. However, a fiscal impact will result under AHRD's fiscal and administrative section. These staff are currently 100% federally funded but are expected to be cost allocated between AHRD federal funds and DOL local funds as a result of the proposed merge. All other DOL/AHRD employees payroll account will remain status quo.

Based on the above noted and absent additional information from DOL, the Bureau makes the assumption on four (4) positions (mentioned by AHRD to be impacted) who will be cost allocated at fifty percent (50%) Federal and Local funds. As such, the table below reflects the estimated additional local fund impact to Salaries and Benefits based on 5.8 pay periods remaining (ppr) for FY15 at \$22,234. Also, the total annual estimated local impact commencing FY16 at \$99,666 (FY17-FY19 on the Fiscal Note form reflects an annual increase of 3% for increments and any other benefit adjustments that may result). Based on the foregoing, the noted impact may have to be absorbed by the Department of Labor's current and future operating budgets.

Position Title	Current Salary	Local Percentage (estimated)	FY 2015 Requirement (estimated at 5.8ppr inclusive of benefits at 31.30%)	FY 2016 Annual Requirement (inclusive of benefits at 31.30%)
Administrative Services Officer	\$50,328	50%	\$7,371	\$33,040
Administrative Assistant	\$31,076	50%	\$4,551	\$20,401
Payroll Clerk II	\$29,650	50%	\$4,342	\$19,465
Budget Analyst (Vacant)	\$40,762	50%	\$5,970	\$26,760
Total	\$151,816	50%	\$22,234	\$99,666