



# COMMITTEE ON RULES

*I Mina'trentai Tres na Liheslaturan Guåhan* • The 33rd Guam Legislature  
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August 6, 2015

## Memorandum

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

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

**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. 136-33(COR)  
Bill No. 142-33(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 AUG - 6 PM 2:33

**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 142-33 (COR)**

**AN ACT TO AUTHORIZE THE DEPARTMENT OF ADMINISTRATION TO ASSESS AN ACCOUNT MANAGEMENT FEE TO ALL SPECIAL FUNDS ESTABLISHED SEPARATE AND APART FROM THE GENERAL FUND BY ADDING A NEW ARTICLE 7 TO CHAPTER 20 OF DIVISION 2, TITLE 5, GUAM CODE ANNOTATED.**

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Administration	Dept./Agency Head: Anthony C. Blaz, Director
Department's General Fund (GF) appropriation(s) to date:	9,177,505
Department's Other Fund (Indirect Cost Fund) appropriation(s) to date:	1,072,031
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$10,249,536</b>

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
<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
(Special Fund - All) 1/	\$3,921,138	\$0	\$3,921,138	\$0	\$0	\$0
<b>Total</b>	<b>\$3,921,138</b>	<b>\$0</b>	<b>\$3,921,138</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1. Does the bill contain "revenue generating" provisions? /X/ Yes    // No  
If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A    // Yes    // No  
If no, what is the additional amount required? \$ \_\_\_\_\_ // N/A
3. Does the Bill establish a new program/agency? // Yes    /X/ 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
4. Will the enactment of this Bill require new physical facilities? // Yes    /X/ No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes    // No  
/X/ Requested agency comments not received by due date    // Other:

Analyst: Arthur R. Mariano Date: 07/15/15 Director: Jose S. Calvo Date: **AUG 06 2015**  
Arthur R. Mariano, Budget & Management Analyst Supervisor    Jose S. Calvo, Director

**Footnotes:**  
1/: The subject legislation proposes to add a new Article 7 to Chapter 20, Division 2 of Title 5 GCA to assess a two percent (2%) "Account Management Fee" for all special funds managed by the Department of Administration (DOA) to offset costs associated with the management of said funds. Utilizing the total adopted Special Fund Revenues in the Governor's FY2016 Executive Budget Request (\$196,056,932), the Fee assessment would be approximately \$3.9M for FY2016. A review of Government of Guam bond covenants may be necessary to ensure that the proposed legislation does not violate terms and conditions as the Bill impacts several special fund sources utilized for annual debt service payments (Territorial Education Facilities Fund, Tourist Attraction Fund, etc.). Also, it should be noted that provisions in the Bill would reduce funding to respective departments / agencies of the affected special funds. Lastly, and similar to the allocation of annual Indirect Cost Fund proceeds, the Bureau recommends that a portion of the assessed Account Management Fees be allocated to BBMR to offset similar costs incurred by DOA relative to the management of special funds.