



# COMMITTEE ON RULES

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

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September 17, 2015

## 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. 149-33(COR)

Bill No. 160-33(COR)

Bill No. 161-33(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 SEP 17 PM 12:34  
JTM/MP

**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 149-33 (COR)**

**AN ACT TO ADD A NEW ARTICLE 7 TO CHAPTER 21 OF 7GCA RELATIVE TO PARENTS' LIABILITY FOR WILLFUL ACTS OF MINOR CHILDREN.**

| Department/Agency Appropriation Information                 |  |
|---|--|
| Dept./Agency Affected: Unified Judiciary of Guam            | Dept./Agency Head: Robert J. Torres, Chief Justice |
| Department's General Fund (GF) appropriation(s) to date:    | 32,661,437   |
| Department's Other Fund (Specify) appropriation(s) to date: | 546,633  |
| <b>Total Department/Agency Appropriation(s) to date:</b>    | <b>\$33,208,070</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        |
| (Specify Special Fund)          | \$0                  | \$0                                      | \$0        | \$0        | \$0        | \$0        |
| <b>Total</b>                    | <b>\$0</b>           | <b>\$0</b>                               | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

- 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? / / Yes /x / 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? / / 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  
/x / Requested agency comments not received by due date / / Other:

Analyst: Dina P. Rivera Date: 9/10/15 Director: Jose S. Calvo Date: **SEP 17 2015**

Comments: See attached.

Bureau of Budget & Management Research  
Attachment to Fiscal Note No. 149-33 (COR)  
(for revenue generating provisions)

| Projected Multi-Year Revenues |             |             |             |             |             |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|
|                               | Year 1      | Year 2      | Year 3      | Year 4      | Year 5      |
| General Fund                  | \$2,990,000 | \$2,990,000 | \$2,990,000 | \$2,990,000 | \$2,990,000 |
| Other Fund:                   | <u>\$0</u>  | <u>\$0</u>  | <u>\$0</u>  | <u>\$0</u>  | <u>\$0</u>  |
| Total                         | \$2,990,000 | \$2,990,000 | \$2,990,000 | \$2,990,000 | \$2,990,000 |

Comments:

See comments attached.

COMMENTS TO BILL No. 149-33(COR)

AN ACT TO ADD A NEW ARTICLE 7 TO CHAPTER 24 OF 7GCA RELATIVE TO  
PARENTS' LIABILITY FOR WILLFUL ACTS OF MINOR CHILDREN.

The new proposed Article 7, Chapter 24, 7 GCA, §24701 proposes: **§24701. Parents' Liability for Willful Acts of Minor Children.** (a) Any act of willful misconduct of a minor that results in injury or death to another person or in any injury to the property of another shall be imputed to the parent or guardian having custody and control of the minor for all purposes of civil damages and the parent or guardian having custody and control shall be jointly and severally liable with the minor for any damages resulting from the willful misconduct. The joint and several liability of the parent or guardian having custody and control of a minor shall not exceed \$25,000. In cases of injury to a person, imputed liability shall be further limited to medical, dental and hospital expenses incurred by the injured person not to exceed \$25,000. It further mentions that this will be in addition to any liability now imposed by law; (b) Any act of willful misconduct of a minor that results in the defacement of property of another with paint or a similar substance shall be imputed to the parent or guardian having custody and control of the minor for all purposes of civil damages, including court costs, and attorney's fees, to the prevailing party, and the parent or guardian having custody and control shall be jointly and severally liable with the minor for any damages resulting from the willful misconduct not to exceed \$25,000 for each tort of the minor; (e) Nothing in this section shall impose liability on an insurer for a loss caused by the willful act of the insured for purposes of §18602 of Chapter 18 of 22GCA. An insurer shall not be liable for the conduct imputed to a parent or guardian by this section for any amount in excess of Ten Thousand Dollars (\$10,000).

Per information received from the Judiciary of Guam, It appears that the proposed bill, for the most part, mirrors the California Civil Code 1714.1 (attached). However, noting that subsection (c) of the bill on the role of the Judicial Council has a different language from California's Section 1714.1. Unlike the California Section 1714.1, the bill's subsection (c) does not reference Guam's Consumer Price Index, if the intent of the bill's drafters was to link an adjustment to some type of index. In addition, the bill does not provide guidance on how or where the Judicial Council is to publish any potential adjustment.

The Judiciary also pointed out §90113, Chapter 80, Title 18, GCA that places a Civil Liability of Parents up to \$1,000 for damages of a civil action of a minor (under the age of 18 years). This includes for theft, willful or malicious acts or property belonging to the Government of Guam, the United States of America, its instrumentalities or agencies, a religious organization, whether incorporated or unincorporated, partnership, association, or person. As noted earlier, per the bill, any existing liability will be in addition to the proposed \$25,000.

Per information received from the Department of Youth Affairs, in 2014 there were 476 Criminal Offenses made by minors. Using this as a base, but narrowing it to related crimes against property and crimes against persons or crimes that could have resulted in injury to persons, the Bureau can make the following assumptions on how much could be collected based on the maximum liability of \$26,000 for medical expenses and \$26,000 for damage to property to the parent or guardian of the accused minor. As such, based on the table below, an estimated \$2,990,000 in liability payments could be realized if the proposed bill should be enacted into public law.

**DEPARTMENT OF YOUTH AFFAIRS (DYA) 2014 STATISTICS ON YOUTH RELATED INCIDENTS**

| Type of Crime                | No. committed | Maximum liability cost for Property | Maximum liability cost for Medical | Total Estimated liability Payment |
|------------------------------|---------------|-------------------------------------|------------------------------------|-----------------------------------|
| Crimes Against Persons       | 4             |                                     | \$ 26,000                          | \$ 104,000                        |
| Crimes Against the Community | 5             | \$ 26,000                           |                                    | \$ 130,000                        |
| Fighting Rioting             | 33            |                                     | \$ 26,000                          | \$ 858,000                        |
| Criminal Mischief            | 32            | \$ 26,000                           |                                    | \$ 832,000                        |
| Stabbing                     | 1             |                                     | \$ 26,000                          | \$ 26,000                         |
| Theft related                | 40            | \$ 26,000                           |                                    | \$ 1,040,000                      |
| <b>Total Estimated</b>       |               |                                     |                                    | <b>\$ 2,990,000</b>               |

**Assumption:**

The same statistics will be realized for the next five years commencing in FY2016.