



COMMITTEE ON RULES

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

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February 6, 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. 16-33(COR)

Bill No. 19-33(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 FEB - 6 11 28 55 AM

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 19-33 (COR)**

AN ACT TO AMEND §852(c) OF CHAPTER 8, ARTICLE 2 OF TITLE 1, GUAM CODE ANNOTATED, RELATIVE TO ARTS IN BUILDINGS AND FACILITIES.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Council on the Arts and Humanities Agency		Dept./Agency Head: Joseph Artero-Cameron, President	
Department's General Fund (GF) appropriation(s) to date:			316,660
Department's Other Fund (Specify) appropriation(s) to date: Tourist Attraction Fund (TAF)			40,000
Total Department/Agency Appropriation(s) to date:			\$356,660

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 32-233)	\$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	\$0	\$0	\$0	\$0	\$0	\$0
(Specify Special Fund)	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

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? \$ _____
3. Does the Bill establish a new program/agency? /X/ N/A / / 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 / / 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
/ / Requested agency comments not received by due date / / Other:

Analyst: <u>Joaquin Guerrero</u> Joaquin Guerrero, BMA I	Date: <u>2/2/15</u>	Director: <u>Anthony C. Blaz</u> Anthony C. Blaz, Director	Date: <u>FEB 03 2015</u>
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Footnotes:

1/ See attached comments.

Bureau of Budget and Management Research
Comments on Bill No. 19-33 (COR)

The proposed legislation is aimed at amending §852(c) of Chapter 8, Article 2 of Title 1, Guam Code Annotated, to add regulation that reads: "Notwithstanding any other provision of law, all funds derived pursuant to this section *shall* be transferred by CAHA to the Guam FESTPAC & Folklife Festival Account until June 1, 2016."

The intent of the proposed legislation is to create a source of suitable funding for the Festival of the Pacific Arts (FestPac), a region-wide festival celebrating the various arts and cultures of the Pacific that Guam will be hosting in 2016. The aforementioned chapter of Title 1 GCA mandates at least one percent (1%) of the overall construction, remodeling, or renovation cost of a public building or building supported by federal or government of Guam subsidy which contains public areas shall be reserved for the purpose of the design, construction, mounting, maintenance and replacement, and administration of works of art by CAHA in the public area of such building, or the owner shall give the amount to CAHA.

Should the Bill be enacted, the proposed amendment obligates CAHA to transfer revenues to the Guam FESTPAC & Folklife Festival Account until June 1, 2016 as reserves to fund their event. The proposed legislation may deviate from the original intent of the Percent for the Arts Program's long-term obligations and set precedent for future short-term large events and programs to tap into Percent for the Arts Program funds. Insofar that funds be redirected to the aforementioned event, it would direct funds from the program thereby impacting local artisans who participate in the program.

Lastly, per the Bureau's discussion with CAHA, recent projects have not yielded much, if any, payments to the agency as contractors, such as for the GPA-GWA complex in Mangilao, have opted to purchase art work directly in lieu of payments to CAHA. As such, the amount to be generated by the proposed legislation may be nominal at best.