



COMMITTEE ON RULES

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

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December 24, 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 and fiscal note waivers are issued on the bills as introduced.

FISCAL NOTES:

Bill No. 213-33(COR)

Bill No. 214-33(COR)

Bill No. 215-33(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'!

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 213-33 (COR)**

AN ACT TO AMEND §2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO RCUOG FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS.

Department/Agency Appropriation Information	
Dept./Agency Affected: University of Guam	Dept./Agency Head: Robert A. Underwood
Department's General Fund (GF) appropriation(s) to date:	35,222,328
Department's Other Fund (Specify) appropriation(s) to date: Guam/Territorial Highway Fund (\$500,000); Tourist Attraction Fund (\$200,000); Healthy Futures Fund (\$2,867,255); Territorial Education Facilities Fund (\$1,158,283)	4,725,538
Total Department/Agency Appropriation(s) to date:	\$39,947,866

Fund Source Information of Proposed Appropriation			
	General Fund:	Special Fund (specify)	Total:
FY 2015 Unreserved Fund Balance		\$0	\$0
FY 2016 Adopted Revenues	\$0	\$0	\$0
FY 2016 Appro. (P.L. 33-66 thru _____)	\$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 2016 (if applicable) /	FY 2017	FY 2018	FY 2019	FY 2020
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund (specify)	\$0	\$0	\$0	\$0	\$0	\$0
Total	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>

- 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 / / No
- Will the enactment of this Bill require new physical facilities? / / Yes / / 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: <u>Angela S. Flores, BMA IV</u> Date: <u>12/18/15</u>	Director: <u>Jose S. Calvo, Director</u> Date: <u>DEC 21 2015</u>
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Footnotes: 1/
Enactment of the proposed legislation would allow the University of Guam (UOG or University) to assign University employees to the Research Corporation of the University of Guam (RCUOG), with the approval of the RCUOG Board of Directors, for a maximum start-up period of 5 years, while retaining their status as University employees during the assignment period, and shall continue to receive all University benefits available to them as University employees. Information from UOG are as follows: Currently the core staff funded in the RCUOG operations budget in FY16 include Interim Executive Director (full-time, annual salary \$101,867), and Chief Business Officer (part-time, \$28.98 per hour). To date, UOG has funded operational costs totalling \$516,924: FY14 - \$54,675; FY15 - \$349,520; FY16 as of Dec. 14, 2015 - \$112,729. Additionally, RCUOG employs about another 50 employees (full and part-time) paid directly from federal grants and contracts. There are 50 grants running through RCUOG totaling about \$6.9 M on an annual basis. When considering the multi-year awards the amount is \$16,400,195. A such there is a potential for additional financial impact should UOG continue subsidizing the Research Corporation until it could be self-sustaining, which is estimated by or around FY17. The RCUOG was authorized under P.L. 32-114 (enacted on February 10, 2014).